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Ukraine Commander Denies Problems With Missile Safety

LD2402143793 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 24 Feb 93

[Text] A dual task—support for the missile system's high combat readiness and guaranteeing full nuclear safety of personnel and the local population—is being resolved normally on the whole, Major General Mykola Filatov, commander of the force to which strategic nuclear missiles are attached, and which is located in a district of the town of Pervomaysk, stated to a correspondent from the Nikolayev newspaper YUZHNYA PRAVDA.

The local newspaper conducted this interview with him after an article entitled "A Second Chernobyl Is Brewing in the Missile Silos of Ukraine" was published in the Moscow newspaper IZVESTIYA on 16 February. The situation is not at all as dramatic as portrayed in the newspaper, although we do have our problems, Mykola Filatov continued. However, this does not at all mean, he says, that these launchers pose a danger to the population.

Head of Institute, General View Disarmament

AU2502104693 Kiev MOLOD UKRAYINY in Ukrainian 19 Feb 93 p 2

[Article by Olena Hubina: "To Some People, the Disarmament of Ukraine Looks Like a Striptease"]

[Text] The view that, by giving away its nuclear missiles, Ukraine is virtually stripping itself naked is one that is held by Ukrainian politicians. However, it seems that increasing numbers of our citizens are beginning to share this opinion. Last summer, opinion polls indicated that one out of every six or seven Kiev citizens held this opinion, but, by the end of the year, this figure had already risen to one out of every three. Journalists tried to come up with their own explanation for this phenomenon during the first meeting of the National Press Club which was organized jointly with the Center for Creative Television and the UNIAN [Ukraine Independent Information Agency]. U.S. General Mykola Kravtsiv [Amerykanskyy heneral Mykola Kravtsiv] and Ukrainian political scientist Dmytro Vydrin were guests of the club. In the opinion of General Kravtsiv, the failure by Ukraine to ratify the START I treaty has been very damaging for its international image, although our country's position is understandable: In the United States, this treaty had been discussed for a long time before it was ratified. Ukraine was only able to express its attitude to it after independence. Dmytro Vydrin suggested that nuclear disarmament should be regarded not only as a political or military problem, but also as a psychological one. For a long time, all of us took pride in the power and quantity of our missiles and not in our standard of living.

However, the situation must also be seen in the context of the present political situation, the journalists stressed. It may seem in general that one year ago Ukraine was

much closer to acquiring a nuclear-free status than it is now. However, after obtaining state independence, we succumbed to euphoria and believed that the world community was dreaming of admitting Ukraine into the circle of civilized and developed countries. However, this is not the case and today our state appears in the world arena in just two cases: the Ukrainian troops within the UN Forces in Yugoslavia and in connection with the ratification of the START Treaty. After Ukraine signs the treaty, interest in it will decline.

General Kravtsiv disagrees: Since Ukraine is talking so much about the need for economic reforms, it would be much simpler today to reduce the military expenditure that swallows up a fifth of the gross national income and invest that capital in the development of the economy. Then it would be possible to join the world community thanks to the economic development and not the quantity of missiles.

However, the future fate of the nuclear weapons in Ukraine also depends upon the alignment of forces in the international arena. Dmytro Vydrin calls this "the rules of the game." According to him, if it is strength that determines one's position in international politics, we will simply be compelled to look for some superweapons. Mr. Vydrin heads the International Institute for Global and Regional Security. He says that the institute has elaborated various scenarios for resolving the problems of nuclear weapons. For example, what kind of situation will emerge if Ukraine delays the ratification of the START Treaty or, conversely, if it obeys the demands put forward by the nuclear powers? Even a scenario of how Ukraine may influence the nuclear disarmament of Russia was analyzed. Only one scenario was not discussed: What would happen to the nuclear weapons if the Communists returned to power in Ukraine—this was considered too unlikely.

One of the journalists joked that a possible mistake by Ukraine was the removal of the tactical nuclear weapons from its territory and the retention of the strategic ones. Strategic missiles may hypothetically be used against the United States or China and Mongolia, but we will not be able to defend ourselves if our neighbors make territorial claims upon us. However, strategic missiles worry the West, and we may take advantage of that anxiety in the hope that it is precisely the West that will not allow complete chaos and conflicts to prevail in a state that possesses nuclear missiles. After all, it is precisely this factor of which we have been reminding the West in the hope of getting support and guarantees from it. However, General Kravtsiv cautioned against relying too much upon guarantees and even quoted the sad example that World War II started because England had given Poland guarantees to defend it from aggressors.

What predictions are journalists making on the eve of discussions in the Ukrainian Parliament on the question of ratifying the START Treaty? There may be different opinions, although the majority hold the view that the

treaty can be ratified, although with certain reservations—proposed by Ukraine. Ukraine will fulfill the conditions of the treaty if other countries agree to these amendments.

Russian Admiral Deplores 'Haste' in Signing START II

PM2602091693 Moscow PRAVDA in Russian
23 Feb 93 p 3

[Article by Vice Admiral Rudolf Golosov, Hero of the Soviet Union: "Disarm, But Sensibly. They Forgot the Quality Criterion. Juggling With the Figures Over Reductions in Warheads in START II Misses the Point"]

[Text] The arsenal of strategic nuclear weapons in the world has swelled out of all proportion. It must be reduced, and few people doubt that. In this respect you would think there could be no doubt of the expediency of the START II Treaty, which was signed in a great hurry without waiting for ratification of START I by all the interested states. Some specialists point out, among the other "merits" of the START II Treaty, the fact that for the first time the United States has agreed to cut the naval component of its strategic triad. Let us try to examine more closely these and other "merits" of START II.

As of today, in the U.S. strategic nuclear forces, 20 percent of the warheads are deployed on land-based intercontinental ballistic missiles (ICBM's), 55 percent on missiles on missile-carrying submarines, and 25 percent on cruise missiles on strategic bombers. In Russia the corresponding figures are 60 percent, 30 percent, and 10 percent. After implementation of START II the correlation should be in the range of 17 percent, 53 percent, and 30 percent for both sides. In other words, the structure of the U.S. strategic triad remains virtually unchanged. Yet Russia has to drastically change the structure of its own strategic nuclear forces, in effect bringing it into line with the U.S. structure, which, incidentally, they have been trying to bring about for a long time.

You may ask—what is wrong with that? Here's what: The most effective part of Russia's strategic nuclear forces is land-based ICBM's, particularly "heavy" missiles with multiple independently targetable reentry vehicles. It was these that the United States saw as the greatest danger to itself, and these that Russia mainly has to cut. The United States has long since concealed the main bulk of its own nuclear potential on nuclear missile-carrying submarines, and is now kindly proposing to Russia that it do the same.

To make up its quota under START II (1,700-1,750 warheads on sea-launched missiles), the United States plans to continue until 1997 the construction of sophisticated Ohio class submarines with 24 Trident-2 ballistic missiles. Washington intends to have 18 of these missile-carrying submarines in service, with 432 missiles. The building of submarines for the Russian Navy stopped in

1990, and in order to make up the same quota Russia will have to keep at least two types of missile submarines (with two different types of missiles) which are unfortunately inferior to America's in a number of indicators, first and foremost because of the manufacturing technology. There is another important point too. The U.S. submarine fleet will patrol in regions where our submarine forces are effectively unable to operate because of the remoteness of their basing system. And the United States, by utilizing the whole infrastructure of its military blocs, can very effectively oppose our missile submarines with antisubmarine nuclear submarines, surface ships, and aircraft.

As for aviation systems, since the disintegration of the USSR the main bulk of strategic aviation formations and bases have remained in Ukraine and Kazakhstan (all the sophisticated Tu-160 bombers, among other things, are in Ukraine). It is not hard to imagine what it would cost Russia to recreate its strategic aviation, if indeed it does so. Furthermore U.S. strategic aviation, using their own and the allied countries' basing system, is capable of strikes against targets on Russia's territory from virtually all directions. Russia's strategic aviation can now use only the Arctic salient for retaliatory strikes.

The START II Treaty says nothing about sea-launched cruise missiles. Nor do those Russian specialists who were overcome by euphoria because of the "reduction" in the naval component of the U.S. strategic triad. Yet the U.S. Navy plans by 1995 to deploy [razvernut] Tomahawk cruise missiles on 150 warships, including 88 multipurpose nuclear submarines. It is envisaged that each submarine will have 12 vertical launchers with Tomahawk missiles. The nuclear version of the missile has a range of 2,600 km, a warhead with a 200-kiloton yield, and a circular error probable of only 35 meters. What is that, if it is not a strategic weapon?

START II does not categorically state that the sides pledge to comply with the provisions of the 1972 Treaty on Anti-Ballistic Missile Defense (ABM). At the same time work on the SDI program has not stopped in the United States. In our case, because of the disintegration of the USSR, the construction of a number of important facilities for the missile attack warning system has been disrupted. The Americans are enviably consistent in their policy. It was the United States which at one time actively sought an end to the construction of a powerful station for that system in the Krasnoyarsk region. Therefore, without categorical compliance with the ABM Treaty, the START II Treaty is devoid of reason.

The United States has achieved significant success in creating conventionally armed high-precision weapons, especially air- and sea-launched cruise missiles. The high effectiveness of these weapons, making it possible selectively to hit small targets, was tested in Iraq. These weapons could also be used to hit targets in Russia's strategic nuclear forces. The geostrategic situation does not allow Russia to respond in kind. Obviously the strategic arms reduction treaty should take account of

this possibility and declare that strikes against targets in the strategic nuclear forces by conventional weapons will mean the commencement of the use of nuclear weapons on our part.

Russia has declared its commitment not to be the first to use nuclear weapons, while the United States is refraining from such a statement. The START II Treaty could be a very suitable vehicle for such a statement by both sides. Otherwise the position of the sides concluding a treaty supposedly based on parity is very far from parity.

Russia signs a treaty as important as START II without having formulated a national security concept or a military doctrine. Will this not cause problems later?

The treaty's implementation on schedule will require considerable expenditure. Is this realistic, given Russia's present situation? If we are relying on U.S. credits, they

could refuse, on the grounds that we are "behaving badly." A lure of \$24 billion is already being dangled under Russia's nose, and has been for some time.

Is it expedient to destroy the military facilities that come under the START II reductions; could there be economically preferable options? Can Russia withstand such a disarmament race? No answers have been found to these and other questions. But one thing is clear: It is, to put it mildly, not very smart to pass off as parity the equality of certain numerical indicators, without a systematic quality analysis of the entire range of problems.

Lastly, the haste to sign a treaty with such important consequences is inexplicable and therefore alarming. Where are we hurrying to, and why? One can understand the former U.S. president—maybe he was in a hurry to put the final touches to his picture of the collapse of communism as a fitting end to his presidency. But the president of Russia—is he finishing something off, too?

Defense Ministers To Examine Security Issues 27 Feb*LD2502150493 Moscow ITAR-TASS World Service in Russian 1225 GMT 25 Feb 93**[By ITAR-TASS correspondent]*

[Text] Moscow, 25 Feb—A session of the Council of Defense Ministers of the Commonwealth States will take place at the office of the CIS Joint Armed Forces High Command [Glavnoye komandovaniye] in Moscow at 1000 on 27 February. Initially, the session was planned to be held in Tashkent tomorrow. However, on the decision of Aviation Marshal Yevgeniy Shaposhnikov, commander in chief of the CIS Joint Armed Forces, the date and place for holding the session were changed "in connection with the need to additionally agree upon the documents that are being submitted for discussion." This was reported today at the Public Information Center of the CIS Joint Armed Forces High Command.

The heads of the military departments of the Commonwealth will try to work out a single approach in dealing with issues of collective security. It is noteworthy that the leaders of the Defense Ministries of only those CIS countries that signed the treaty on collective security will participate in the session.

They are expected to discuss draft agreements on the fundamental principles and conditions of service in the armies of CIS countries for those servicemen who have different citizenship, on the use of military-purpose satellite communications systems, and on additional measures to increase the responsibility of executive authorities of the Commonwealth states for the implementation of agreements on military issues.

Prime Ministers To Meet in Tyumen To Discuss Oil, Gas*OW2402172293 Moscow INTERFAX in English 1557 GMT 24 Feb 93*

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] On March 1 and 2, the prime ministers of the CIS countries are going to meet in Surgut, the center of an oil-producing area in Western Siberia's Tyumen Region, having an airfield for large aircraft. They will be discussing the participation of ex-Soviet republics in the working of Russia's oil deposits.

According to the head of the administration of Tyumen Region, Leonid Roketskiy, the original plans were that just the Russian and Ukrainian Prime Ministers would meet in Surgut at the beginning of March to discuss Ukraine's participation in Western Siberia's oil production. Subsequently, however, other CIS countries showed interest in this as well, but they have to make capital investments and contribute their technical

resources, receiving more energy from Russia in exchange. Russian Prime Minister Viktor Chernomyrdin suggested inviting all CIS premiers to Surgut. According to government sources, invitations have also been sent to the prime ministers of the Baltic and Transcaucasian states, in other words the premiers of all republics of the former Soviet Union have been invited.

In addition to the prime ministers, the meeting will be attended by the managers of major Russian oil and gas complexes and enterprises providing equipment for the energy industry.

Experts from the Russian Fuel and Energy Ministry do not exclude the possibility that a "mini-OPEC" will be created in Surgut, and that the meeting will consider principles for relations with energy-importing countries.

Delegations from all 15 republics may come to Surgut since all the republics are short of energy. However, some of them may send their ministers in charge of the energy industry rather than prime ministers. Apart from Chernomyrdin, the Ukrainian and Kazakh Prime Ministers are most likely to take part in the meeting.

ITAR-TASS Carries Press Review for 26 Feb*LD2602063493 Moscow ITAR-TASS in English 0558 GMT 26 Feb 93*

[Text] Moscow February 26 ITAR-TASS—Another outburst of the struggle of the legislative and executive branches of authority over the problem of the referendum, scheduled for April 11, is in the focus of attention of today's newspapers.

Commenting on the Thursday [25 February] session of the Russian Parliament, TRUD writes that since the decision on the cancellation of the referendum can be taken only by the Congress of People's Deputies, "the transfer of the discussion of the convocation of the Congress to March 4 seems to be creating the situation, willingly or unwillingly, when the time that is left will not be enough for taking well-considered steps in tackling this problem, which is of crucial importance for Russia..."

Mikhail Poltoranin, head of the Federal Information Centre, emphatically supported the idea of the referendum. He spoke in Omsk at a meeting of senior officials of the press centres, KOMSOMOLSKAYA PRAVDA reports. The newspaper quotes Chairman of the Russian Parliament Ruslan Khasbulatov as saying that the cancellation of the referendum has actually been decided upon, but the final decision should be taken by the Congress of People's Deputies.

NEZAVISIMAYA GAZETA writes in detail about the stand assumed at the session of the Russian Parliament by the Russian Unity Bloc of parliamentary groups. It opposed the referendum and put forward several versions of the agenda of the forthcoming congress. The "toughest" of them envisages "the resignation of the

speaker of parliament, the removal from office of the Russian president and the imposing of a state of emergency on the national economy."

NEZAVISIMAYA GAZETA and KRASNAYA ZVEZDA point out that members of parliament did not support President Yeltsin's proposal to discuss without delay the draft agreement of the federal legislative and executive branches of authority for the stabilisation of the constitutional system until a new constitution is adopted, which was submitted by him to parliament. This issue is also expected to be submitted to the Congress.

Vitaliy Tretyakov, editor-in-chief of NEZAVISIMAYA GAZETA, writes in his newspaper that "the crisis of presidential authority" has been added to the current political deadlock and economic crisis." He analyses in his article five possible ways out of the existing situation, ranging from a "coup d'etat" to the "political initiative of the president on holding pre-term elections this spring."

TRUD publishes an interview with Arkadiy Volskiy, head of the Civic Union. His assessment of the current situation is different. In his opinion, "one should not

dramatize the situation," because the way to a constitutional agreement is not at all blocked, and both sides should go on with serious and well-considered efforts, aimed at settling the problem.

KOMSOMOLSKAYA PRAVDA carries an interview with Gennadiy Blinov, Tajik deputy minister of the interior, in which he told about the successful completion of operations of government units against anti-government groups in the area of Dushanbe and about the general situation in that Central Asian republic. According to his forecasts, the situation in Tajikistan will be fully stabilised by next autumn. By that time units of the Interior Ministry and the Defence Ministry will be brought up to full strength, and the Popular Front will be disbanded after having fulfilled its mission.

PRAVDA carries the text of the rules of the Communist Party of the Russian Federation. The newspaper sums up the results of the so-called popular trial of Mikhail Gorbachev, former USSR president and general secretary of the CPSU Central Committee, organised on the initiative of Communists. It reports that Gorbachev was found guilty on all the six items of the indictment. The self-styled 'judges' found him guilty even of "high treason," which, according to a corresponding item of the Soviet penal code, involved capital punishment.

Further on Kozyrev, Christopher Talks in Geneva

Summit To Be Held 4 Apr

LD2502170993 Moscow Mayak Radio Network in Russian 1612 GMT 25 Feb 93

[Report by correspondent Viktor Levin from Geneva; from the "Panorama" program]

[Text] [Levin] Russian Foreign Minister Andrey Kozyrev and the U.S. Secretary of State Warren Christopher have announced at a press conference that has just ended that an agreement has been reached to hold the Russia-U.S. summit on 4 April. As Andrey Vladimirovich has noted, the Americans were proposing earlier dates, but the Russian side has deemed this particular date more expedient in order to be better prepared for the summit.

The meeting between the heads of the two foreign departments lasted considerably longer than initially scheduled. This is being explained by the fact that it was very comprehensive and business-like, and that literally all the problems that were of interest to both countries were touched upon. In his statement, U.S. Secretary of State Christopher stressed that the United States is striving to facilitate the reforms in Russia and views this as one of their most important tasks.

Answering questions, Kozyrev noted that the question of Russia's joining the world market in conventional weapons was also touched upon—naturally, in such a way as not to violate either the stability or the security of other states. Of course, it will probably be premature to draw any far-reaching conclusions at the moment. It is already possible, however, to say without a doubt that a very important step forward has been taken in the development of Russian-U.S. relations.

[Announcer] Viktor Nikolayevich, you have mentioned the date of the summit, but not the place where it will be held. Has this been decided?

[Levin] The heads of the foreign departments have not mentioned it either.

Nagorno-Karabakh Statement Issued

LD2502191993 Moscow ITAR-TASS World Service in Russian 1748 GMT 25 Feb 93

[By ITAR-TASS correspondents Konstantin Pribytkov, Boris Shabayev, and Georgiy Shmelev]

[Text] Geneva, 25 Feb—At the end of talks held here today between Russian Foreign Minister Andrey Kozyrev and U.S. Secretary of State Warren Christopher, the two sides issued a statement on Nagorno-Karabakh. The statement notes: The Russian Federation and the United States of America confirm their resolve to continue their efforts within the framework of the CSCE Minsk group on a peaceful settlement of the conflict in Nagorno-Karabakh and around it. The course

of events has once again demonstrated to the Armenian and Azerbaijani peoples the danger of any attempts to settle the conflict through military means. All sides must strive to overcome the obstacles preventing sovereign talks within the framework of the CSCE Minsk conference on Nagorno-Karabakh with the participation of all interested parties. Only a compromise political agreement on the basis of mutual concessions and mutual advantages, which will allow peace and stability to return to the region can be durable and long-term.

Russia and the United States resolutely call on all sides in the conflict to take on themselves the historical responsibility for the fate of their peoples and demonstrate the will to settle the conflict exclusively via peaceful means. The most important task now is the immediate halting of bloodshed. They call on the conflicting sides—as a gesture of good will and a first step toward overcoming the mutual distrust—to refrain from carrying out offensive operations in Nagorno-Karabakh and neighboring areas; and to stop using aircraft and missile-artillery weapons, the use of which leads to unnecessary deaths among the civilian population. Russia and the U.S. await a positive response to this proposal.

Kozyrev, Christopher Review Talks

LD2502202793 Moscow ITAR-TASS in English 1828 GMT 25 Feb 93

[By ITAR-TASS correspondents Konstantin Pribytkov, Boris Shabayev and Georgiy Shmelev]

[Text] Geneva February 25 TASS—A brief working meeting between Russian Minister of Foreign Affairs Andrey Kozyrev and U.S. Secretary of State Warren Christopher ended here today.

Andrey Kozyrev told the joint news conference after the talks that the date for the Clinton-Yeltsin summit was set for April fourth at a still undecided venue. The two foreign ministers will probably meet again to finalize the decision on the venue.

The Russian minister described his conversation with Christopher as very meaningful and constructive. This was confirmed also by the joint Russian-American statements on problems under discussion made during the meeting.

In their statement on the Middle East, the sides stressed that they attach great importance to the Arab-Israeli peace process which was started in Madrid and insist on the need to resume talks in the nearest future. Russia and the United States are convinced that all sides should take additional steps at present to make use of the opportunity for making headway towards the achievement of a just and durable peaceful settlement between the Arabs and Israel.

Confirming their determination to continue efforts within the framework of the Minsk CSCE group to reach

a peaceful settlement of the conflict in Nagorno-Karabakh, Russian and the United States are resolutely calling on all parties to the conflict to shoulder the historic responsibility for the fates of their peoples and show their political will to settle the conflict exclusively by peaceful means. They call on the conflicting sides to make a good-will gesture and refrain from offensive operations in Nagorno-Karabakh and neighboring areas pending a positive response to this proposal.

U.S. Secretary of State Warren Christopher said his meeting with Kozyrev was exceptionally business-like and useful. He said its main achievement was the accord on the Yeltsin-Clinton summit because President Bill Clinton was fully in support of Boris Yeltsin's reforms and wishes them success.

Christopher said that Russia and the United States are pursuing common goals in the Middle East, which is clearly expressed in their joint statement. The U.S. secretary of state said a circumstantial exchange of views on the situation in former Yugoslavia took place during his meeting with the Russian foreign minister.

Straight after the news conference, Andrey Kozyrev left Geneva on an official visit to Copenhagen. The U.S. secretary of state is leaving for Brussels today.

Statement on Middle East Adopted

*LD2502200793 Moscow ITAR-TASS in English
1927 GMT 25 Feb 93*

[By ITAR-TASS correspondents Konstantin Pribytkov, Boris Shabayev and Georgiy Shmelev]

[Text] Geneva February 25 TASS—Russian Foreign Minister Andrey Kozyrev and U.S. Secretary of State Warren Christopher ended talks in Geneva on Thursday [25 February] by adopting a joint statement on the Middle East settlement.

Russia and the United States attach top priority importance to the Arab-Israeli peace process started in Madrid and the need for the sides to resume talks in the near future, the statement said.

In the course of intensive discussions with the sponsors, the Israelis and Arabs, including Palestinians reiterated their adherence to the peace process and confirmed their readiness to resume talks in the near future.

The Russian side notes the positive effect of the U.S. secretary of state's trip to some countries of the region. The sponsors believe that at this moment all sides should undertake additional steps to use the possibility of reaching progress in comprehensive and lasting Arab-Israeli peace settlement on the basis of Resolutions 242 and 338 of the UN Security Council.

Russia and the United States have agreed to step up their role of mediators to promote the progress of the peace process. In keeping with this, the sponsors will send

shortly invitations to attend the ninth round of talks to be held in Washington in April.

Kozyrev Interviewed on Talks

*LD2602081593 Moscow ITAR-TASS in English
0752 GMT 26 Feb 93*

[By ITAR-TASS correspondent Georgiy Shmelev]

[Text] Copenhagen February 26 TASS—Russian Foreign Minister Andrey Kozyrev arrived here on Thursday [25 February] night for an official visit from Geneva, where he had a working meeting with U.S. Secretary of State Warren Christopher.

In the interview he gave to Russian journalists on board a plane on his way to Copenhagen Kozyrev said that during the talks in Geneva, at which they discussed a wide range of problems dealing with Russian-American relations, they decided, among other things, that the Russian-American summit would be held on April 4 in a third country.

According to Kozyrev, special attention was devoted to the Middle East settlement. The U.S. secretary of state pointed out that a final breakthrough in the settlement of the Middle East problem could not be achieved without Russia's participation, without Russian-American cooperation. The Russian foreign minister stressed that Russia was satisfied with the results of the recent tour of seven Middle East countries made by Christopher, in the course of which he achieved some positive results. Kozyrev told journalists that he would meet Palestinian representatives next Monday, and Egyptian President Hosni Mubarak would visit Moscow soon. If the developments take a planned course, he continued, the Israeli prime minister will probably visit Russia.

Speaking about the Russian-American summit due to be held on April 4, Kozyrev stressed "the desire of the two countries to avoid any interruption in their relations." According to Kozyrev, the American side even insisted on an earlier date of the summit, but as a result of the talks they agreed on April 4.

The forthcoming meeting of leaders of the G7 countries in Tokyo was also discussed in Geneva. According to the Russian foreign minister, the impression is that it has practically been decided to invite Boris Yeltsin to take part in the meeting.

Kozyrev said that he and the U.S. secretary of state had adopted two statements—on the Middle East and on Nagorno-Karabakh. So far as a statement on the Yugoslav settlement is concerned, Kozyrev continued, there was no reason to adopt it, because intensive work on that problem is going on in New York with the participation of the special envoys Vitaliy Churkin, representing Russia, and Reginald Bartholomew, representing the United States. The negotiations are continuing on the basis of the settlement plan, drawn up by co-chairmen of

the coordinating committee of the Geneva conference on former Yugoslavia Vance and Owen.

Kozyrev pointed to the similarity of the Russian and American stands on the problem of Yugoslavia: both countries are laying emphasis on the political settlement on the basis of the Vance-Owen plan. The difference between the two stands is that "we are working more with Bosnian Serbians, while Americans are paying more attention to the Moslem community." However, Kozyrev stressed, there are no serious differences in our stands.

Clinton, Major Give 'Assurance' of Yeltsin Support

PM2602094193 Moscow IZVESTIYA in Russian
26 Feb 93 pp 1, 3

[Vladimir Mikheyev report: "Yeltsin and Clinton Will Meet Within Next Eight Weeks"]

[Text] At a joint press conference last Wednesday [24 February], U.S. President Bill Clinton and British Prime Minister John Major gave the most resolute assurance since the changing of the guard at the White House that the West supports Russian President Boris Yeltsin personally and his course of market reforms.

The United States, B. Clinton stressed, is making "big efforts to support democracy and the economic recovery" of the Russian Federation.

Echoes of recent events could clearly be heard in the statements by the leaders of the free world—the worsening constitutional power crisis, the succession of opposition forces, and also the speech by Richard Armitage, now former coordinator of U.S. aid to the CIS countries, which caused a lot of fuss. Let me remind readers that R. Armitage, although he gave Boris Yeltsin his due by noting his "enormous personal courage" and describing him as "the most popular political figure in contemporary Russia," nevertheless said that "it looks as if his days are numbered" and that "he has practically exhausted his usefulness."

These remarks were instantly disavowed by Washington, and Armitage himself has been replaced in this job by Ambassador Thomas Simons, former director of the State Department Office of Soviet Union Affairs.

Brushing aside alarmist forecasts of a different kind, the head of the Washington administration assessed what he called "certain difficulties" in relations between Boris Yeltsin and the Russian parliament in a considered and restrained manner. "I do not think Yeltsin has been paralyzed by what is happening," Bill Clinton commented. "And I support him." The U.S. President would not completely discount the possibility of confrontation between the two branches of power, but at the same time he cautioned against "the big mistake of assuming" that the Russian president is unable to carry on what he has begun and will not be successful: "I believe he can do it."

John Major's assessment was couched in similar terms: "I too do not think that President Yeltsin has been weakened by the conflict (with parliament) to the extent that he is unable to carry on with his present policy." The British premier was in favor of Western countries granting economic aid and political support to the reforms "which President Yeltsin personifies at the present time."

According to AP reports, Russia would like to increase the amount of technical aid it receives from the United States, currently estimated at \$417 million. Nevertheless, the agency notes, at present it is hard to expect a breakthrough on this issue since aid to foreign states "always gets a hostile reception from the U.S. Congress, and right now, following the end of the Cold War, this is more than likely because both the House of Representatives and the Senate are looking for ways to cut the federal budget deficit." Nonetheless, this issue will certainly be on the agenda at the U.S.-Russian summit, the timing of which will be discussed at a meeting between U.S. Secretary of State Warren Christopher and Russian Foreign Minister Andrey Kozyrev in Geneva on Thursday.

U.S. officials, who have asked to remain anonymous, confirmed that the intention is to prepare a summit meeting between Bill Clinton and Boris Yeltsin in the shortest possible time frame; they hope it will be held within the next eight weeks. There are persistent rumors that either Reykjavik or Helsinki will be chosen as the venue for the meeting.

Thus the 42d President of the United States, who had initially postponed a summit with the Russian president for an indefinite period, attributing this to "domestic problems" and his intention to put the U.S. economy in order, was forced to change his list of foreign policy priorities. The authoritative opinion offered by Dimitri Simes, an expert from the Carnegie Endowment for International Peace, could shed some light on these changes: "It seems that this year will be a decisive one for Russian President Boris Yeltsin. If he can weather this year, which is witnessing the formation of extremely varied public organizations and political parties, he will probably be able to get out of the crisis altogether and develop a constructive policy from next year."

More Clinton, Major Comment on Yeltsin

LD2502133393 Moscow ITAR-TASS in English
1322 GMT 25 Feb 93

[By ITAR-TASS correspondent Igor Barsukov]

[Text] Washington February 25 TASS—President Bill Clinton and British Prime Minister John Major reaffirmed support on Wednesday [24 February] for Russian President Boris Yeltsin and his policy of economic reforms.

Speaking at a joint news conference at the close of the meeting with Major in the White House, President Clinton said he prioritised support for Russian reforms.

Clinton said he wanted to meet the Russian president soon but no definite date had been set for a summit.

"I know he's having some trouble with his congress...I don't want to minimise that. But I think it is a grave error to assume he cannot continue to do well. I believe he can," Clinton said at a joint news conference with visiting Major.

The British prime minister called Yeltsin "the best hope for the Russians" and said he expected him to stay in power. Major said the West should continue to give Yeltsin and other reformers in Moscow political backing "as well as the practical and economic support that we've been giving them."

Clinton, who held an hour-long meeting and working dinner with Major, said Yeltsin's battles with conservatives in the Russian parliament were "part of being in a democratic society with an elected president separate from the congress."

"I believe that President Yeltsin has not been paralysed by what's happened. I support him and his role in what he's trying to do," he said.

Yeltsin has been pushing for an early summit with the new U.S. leader and Clinton said he also wanted a meeting.

There has been speculation that the two could meet in late March in the capital of a third country. Reykjavik, Iceland, and Helsinki, Finland, are being touted as possible sites.

"I have not established a definite date for a meeting with Yeltsin yet, but I do hope to meet with him soon personally. I know he's having some trouble with his congress, but that's part of being in a democratic society with an elected president separated from the congress," Clinton said.

Said Major: "I don't think President Yeltsin is weakened by his present conflict to the extent that he's not going to continue."

"I think Mr Yeltsin is the best hope for the Russians, and I think the policies and the movements towards reforms that he has in mind and continues to have in mind are the right ways forward."

The British leader pointed out that there are two things Western countries can do to help Russia: "One is the economic assistance that's been provided, and there's a great deal of discussion to be had about whether we're directing that in the right way and in the right volume."

"But, secondly, I think also there's the political messages of support to the reformers and to the reform policies

personified at the moment in the person of President Yeltsin that the underlying purpose of the assistance to assist the reformers and to assist the reform policies in Russia. I think we ought to give them political support as well as the practical and economic support that we've been giving them," Mr Major said.

Credit Payment Delay Hits Deliveries of U.S. Surplus Grain

*PM2502145593 Moscow PRAVDA in Russian
25 Feb 93 p 7*

[Correspondent Vladislav Drobkov report: "Russia May Again Be Unable to Pay for Grain"]

[Text] Washington, 24 Feb—The U.S. Department of Agriculture, which controls the delivery of American grain to Russia on government-backed credit, has sounded the alarm bell again. The Russian Bank for Foreign Economic Activity is still failing to repay on time the grain-purchase credit advanced to us. According to department representatives, Russia's unpaid debt now amounts to more than \$320 million.

Since last November, when the Russian Bank for Foreign Economic Activity started regularly deferring credit repayments, the U.S. Department of Agriculture has stopped guaranteeing payment of grain deliveries. This has led to their almost complete cessation. At the same time hundreds of millions of dollars allocated by the United States in the form of credit guarantees under the much-publicized Freedom Support Bill have been frozen.

So the bill exists, but Russians will have to wait for the credits. They will have to wait until the support already given has been paid for.

However, as Secretary of Agriculture Mike Espy has reported, ways to alter the Russian debt repayment terms are being sought. So deliveries of surplus American grain, in which transatlantic farmers have a vital stake, could be resumed, while the debts will be bequeathed to our children and grandchildren.

Issue of Gas Supplies To Ukraine, Payments 'Deferred'

*LD2502174393 Moscow Teleradiokompaniya
Ostankino Television First Program Network in
Russian 1500 GMT 25 Feb 93*

[From the "Novosti" newscast]

[Text] It was announced in Moscow today that a decision was taken to continue deliveries of Russian gas to Ukraine until the 28 February scheduled meeting between Ukrainian Prime Minister Kuchma and Russian Prime Minister Chernomyrdin. This way, the issue of disagreements over payment for gas has been deferred, but not resolved.

A discussion about energy resources has now been added to the disagreements between Ukraine and Russia over ownership of the Black Sea Fleet and the division of debts of the former Soviet Union. If Russia insists on receiving payment for the gas at world price levels, then Ukraine could possibly charge for the transportation of gas to the West across its territory.

Ukrainian representatives have stated Kiev has already paid Moscow everything for the gas, through 1 March; meanwhile, the Russians say they are not aware of such payments. Other sources, report the Russian treasury has already received 27 billion rubles [R].

Some observers believe that gas supplies are a new element in the argument over the legacy of the former Soviet Union. The Ukrainian side complains of Russian pressure, citing Russian proposals that Ukraine settle its debt by handing over Sevastopol to Moscow or by handing over the transit oil and gas pipelines.

It is fairly difficult to judge today whether Russia is really making these and other unacceptable proposals, mainly because of the contradictory information about the ways they are trying to reach a compromise. There is no doubt that a compromise needs to be reached just as there is no doubt about the worsening situation in the Russian gas extraction industry, as gas workers are not receiving any money. In the meantime, the resolution of the gas problem, in customary fashion, will be put off until the summit meeting between Ukrainian and Russian leaders.

Ukrainian Delegation Arrives in Moscow

*LD2602114593 Moscow Russian Television in Russian
0527 GMT 26 Feb 93*

[Text] The gas conflict between Ukraine and Russia should be sorted out. Representatives of UKRGAS-PROM [Ukrainian Gas Industry] have come to Moscow for this purpose. The fact is that the transfer price at which Ukraine receives every 1,000 cubic meters of gas from Russia ranges from \$75 to \$95. This price has been established taking world prices into account, since Ukraine does not come under the ruble zone. Naturally, it does not have money like this. As a result, Ukraine's debt to Russia for gas supplied was 168 billion rubles [R].

A few days ago GAZPROM sent a telegram to Ukraine in which it announced the possible cutting off of gas supplies on 25 February. In response, the Ukrainians urgently paid off the debt, but only part of it—only R27 billion. Just as before, the problem of where to get the other R141 billion remains. As a result, supplies of gas to Ukraine were drastically cut on 25 February.

Gazprom Cannot 'Find' Ukraine's Payments

*LD2602143093 Moscow ITAR-TASS in English
1258 GMT 26 Feb 93*

[By ITAR-TASS correspondent Igor Ivantsov]

[Text] Moscow February 26 TASS—"We have not managed so far to find 27 billion roubles, transferred by Ukgazprom to our bank account as payment for gas deliveries," acting chairman of the board of the Gazprom concern Rem Vyakhirev told ITAR-TASS today in the morning. He has at his disposal an order for payment of the debt, but there is no money on the Gazprom account at the Russian Central Bank.

The Gazprom board notified the Ukrainian Government and the Ukgazprom concern late last week that it was stopping gas deliveries on February 25, because the gas supplied to Ukraine had not been paid for. At the beginning of the third decade of February the debt was 165 billion roubles.

The problem of payment transactions became even more complicated because Ukraine regularly disrupts Russia's gas exports to third countries. 1,200 km of gas pipelines delivering gas to European countries and Turkey are located in Ukraine. According to Vyakhirev, it was registered on more than one occasion that Ukgazprom enterprises pumped gas out of those gas pipelines. Russian Gazexport was forced to warn foreign partners that they may receive less gas than they bargained for.

Nevertheless, the cutoff of gas supply was postponed until the arrival of Ukrainian Prime Minister Leonid Kuchma in Moscow on Sunday. He will hold talks on differences between the two republics ITAR-TASS on Thursday. [sentence as received] He added that their relations with Ukrainian gas workers had changed for the better during the past several days: They promised to pay the debt before the end of the first five days of March. Ukgazprom notified Gazprom that it had transferred 27 billion roubles as part of its debt. Russian gas suppliers are now trying to find the money.

Negotiations With Georgia Stalled on Abkhazia Issue

*PM2502134793 Moscow KRASNAYA ZVEZDA in
Russian 25 Feb 93 p 3*

[Anatoliy Stasovskiy and Petr Karapetyan report: "What Is To Be Understood by Georgia's Interests?"]

[Excerpt] The treaty establishing the basic principles of relations between Russia and Georgia can be signed only after the conflict in Abkhazia has been settled.

Russian-Georgian relations just cannot get out onto the highway, so to speak. Numerous meetings around the negotiating table and consultations between Russian and Georgian delegations have not yet produced the desired result. To date not a single treaty exists between the two states, with the exception of the treaty on the establishment of diplomatic relations. In the opinion of Feliks Kovalev, Russian Federation ambassador with special assignments, who headed the Russian delegation at the recent talks in Tbilisi, treaties on the Russian troops, an agreement on the border troops, and a consular convention must be signed and brought into force first of all.

But the Georgian leadership, to all appearances, advocates the simultaneous signing of a large package of interstate agreements. Feliks Kovalev has expressed the hope that the Georgian side will reconsider its viewpoint, for otherwise not one existing treaty will ever be concluded.

But these, naturally, are not the most substantial obstacles in the way of Russian-Georgian relations. Speaking on Tbilisi radio 22 February, Georgian Supreme Council Chairman Eduard Shevardnadze declared that the 20 February bombing of Sukhumi, reported by the Russian mass media, could complicate the continuation of the Georgian-Russian talks, whose fourth round is to begin in Moscow 1 March. According to him, the barbarous act, regardless of whose aircraft bombed Sukhumi—a Russian airplane or one belonging to the Confederation of Peoples of the Caucasus—shows the existence of reactionary forces with an interest in exacerbating the already complicated relations between Georgia and Russia.

It cannot be ruled out that the Georgian leadership is using just such resolute statements, which undoubtedly include the recent one on the likelihood of announcing a general mobilization in the republic, to try to avoid an urgent discussion of the "Abkhaz question" with the Russian side. At any rate, it is precisely the ending of the armed conflict in Abkhazia by political methods that the Russian delegations at the talks regard as of paramount importance. It is also precisely the sending of a peace-making force into Abkhazia that elicits the Georgian side's greatest reluctance today. [passage omitted]

Foreign Ministry Issues Statement on Georgia
LD2502190393 Moscow ITAR-TASS in English
1817 GMT 25 Feb 93

[By ITAR-TASS correspondent]

[Text] Moscow February 25—The Russian Foreign Ministry circulated the following statement here today:

"The situation around the Russian Armed Forces temporarily deployed on the territory of the Republic of Georgia has sharply aggravated again in recent days. Groundless accusations are levelled at the Russian military of their alleged intervention in Georgia's internal affairs.

The incident with the bombardment of a residential quarter in Sukhumi by an unidentified aircraft on February 20 is being used as a pretext for yet another outburst of anti-Russian sentiments. The Georgian side making groundless attempts at ascribing this action to the Russian Air Force. [sentence as received] As already declared by the Russian Defence Ministry, Russian aviation has nothing at all to do with the incident.

Meanwhile, Russian Army units and border guards remain the objects of continuous acts of provocation. Since the beginning of this year, blockades of military

units, assaults on Russian servicemen, taking hostages, seizures of military equipment and arms and even entire military installations in some cases have occurred practically every day. People are killed. But not one of the guilty persons has been punished. Despite repeated protests by the Russian side, Georgian authorities have taken no steps to avert criminal actions of this sort.

The Russian side has repeatedly warned that it retains the right to take necessary steps to protect the lives and dignity of Russian troops and their families and ensure due protection of the Russian military installations on Georgian territory.

Such measures were taken on February 20 in response to yet another armed provocation against our Army unit deployed in Eshery. Late on that day, at 22:50 local time, the gun emplacements which shelled Russian positions were suppressed from the air.

Russia called and continues to call on the leadership of Georgia and Abkhazia to put a complete and unconditional end to fire, establish a transitional, "cool-off" period and resume bilateral talks. This alone can put an end to senseless destruction and stop the killing of local inhabitants.

The Russian side is ready to participate in the search for peaceful solutions to the conflict in Abkhazia and reaffirms its intention to assist talks at any level and at any time."

Foreign Ministry Statement on Bosnia Circulated at UN

LD2502193193 Moscow ITAR-TASS in English
1911 GMT 25 Feb 93

[By ITAR-TASS correspondent Boris Sitnikov]

[Text] United Nations February 25 TASS—The statement of the Russian Foreign Ministry concerning Russian proposals for further steps to settle the crisis in former Yugoslavia was circulated today in the United Nations headquarters as a document of the UN Security Council.

The statement says:

The Russian leadership continues to pay close attention to the problem of settlement in former Yugoslavia. The Russian president's special envoy, Vitaliy Churkin, is actively working in New York in conjunction with the United States President's special envoy Bartholemew in support of the Vance-Owen plan.

Yesterday we called on all Bosnian sides to immediately arrive in New York with relevant authorisation for constructive work and adoption of the entire package of agreements.

The main thing now is not to permit disruptions of the negotiating process and the joint efforts of the world

community aimed at the prompt approval and implementation of the Vance-Owen plan.

With this objective in mind, the president of the Russian Federation approved the following proposals of Russia for further steps to regulate the Yugoslav crisis:

1. Russia calls on all Bosnian sides to observe a truce for the duration of negotiations and stop shelling cities, particularly Sarajevo.

2. It is necessary to stop all combat actions in Croatia. If the strengthening of the mandate of the UN forces fails to take effect, Russia will continue to press the Security Council for sanctions.

3. Russia is firmly committed to the task of the prompt acceptance of the Vance-Owen plan for Bosnia and Hercegovina by all Bosnian sides and its approval in a resolution of the United Nations Security Council.

4. After the signing by the Serbian side of the package of Vance-Owen agreements, conditions will be created for the gradual lifting of sanctions against the Republic of Yugoslavia and the ensuring of its normal participation in United Nations agencies and other international organisations.

5. Russia favours the creation of UN multinational forces to help fulfil the Vance-Owen plan after its approval. It is considering the possibility of participation of Russian contingent in such forces. We are ready to attract the mechanism of the North Atlantic Cooperation Council, including the material and technical resources of the relevant regional structures, to the implementation of the future peace-making operation in accordance with the UN Charter and under the supervision of the United Nations Security Council.

6. The United Nations Security Council and the Conference for Cooperation and Security in Europe should consider measures to toughen control over the enforcement of the embargo on arms supplies to Bosnia and Hercegovina.

7. The decision of the United Nations Security Council asking the UN secretary-general to prepare proposals for the establishment of an international tribunal must serve the purpose of the impartial inquiry into the war crimes committed in the course of the conflict.

We are ready to sell Russian specialists to take part in the investigation into the mass burials in the area of Vukovar, Croatia and in the efforts of the Geneva commission of experts to establish facts of war crimes in former Yugoslavia. [sentence as received]

8. Russia is ready to work out guarantees of human rights in Bosnia and Hercegovina, particularly minority rights.

Security Council Resolution on Yugoslavia Hailed

PM2502164593 Moscow KRASNAYA ZVEZDA in Russian 24 Feb 93 p 3

[Ravil Mustafin report: "Those Responsible for the Conflict in Yugoslavia"]

[Excerpt] [passage omitted] The situation in former Yugoslavia has reached a critical point, in the opinion of observers, and is focusing the enhanced attention of the world community upon itself. A resolution to establish an international tribunal for the judicial prosecution of those responsible for violation of human rights on the territory of former Yugoslavia was adopted unanimously at the UN Security Council session the other day. This is the first time in the entire history of the United Nations that such a decision has been made.

The need to adopt this historically unprecedented UN resolution was incontrovertible. It, according to Yuliy Vorontsov, Russian Federation permanent representative at the United Nations, could bring pressure to bear on all sides in the conflict to speed up the peace process and also serve as a serious warning to those to blame for large-scale violations of human rights in other regions of the world.

However, its effectiveness will depend above all, in my view, on how objectively and impartially the world community is able to approach the determination of the guilty people prepared to sacrifice the lives of thousands of completely innocent people to their own political and selfish ambitions. Might not all responsibility for the bloodshed in Yugoslavia again be pinned on the Serbs? Although it has been clear from the very outset of the Yugoslav tragedy that each of the opposing sides bears its share of responsibility. At the same time you do get the impression that a certain predisposition to present the Serbian side as the sole culprit, and double standards have been present in the position of a number of countries. [passage omitted]

Weekly Says 'Up to 500' Russians Fighting for Serbs

LD2502135593 Moscow ITAR-TASS in English 1326 GMT 25 Feb 93

[Text] Moscow February 25 TASS—Up to 500 Russian volunteers are fighting on the Serbian side in Bosnia at present. Six of them have been killed since the summer of 1992 when Russian volunteers first arrived there, according to Yuriy Belyayev, head of the St. Petersburg centre recruiting mercenaries to fight for the Serbs.

Three or four detachments of Russians are engaged in Skelani, eastern Bosnia, he told the "MOSCOW NEWS" weekly on Thursday [25 February], adding that Iranians, Austrians and Afghans are fighting on the Moslem side.

31 year-old Aleksandr Aleksandrov is one of the Russians. "Bosnia-Hercegovina, as a single state of three peoples, has become a dream which won't come true.

They would either split and erect borders or would slaughter each other till the last man. There is no third way", he believes.

"I am protecting the interests of Russia here", 40 year-old Ivan Chernikov told the weekly. "From the military point of view our role is insignificant and symbolic because the Serbs can tackle their problems by themselves and have everything necessary for that —people and weapons. But Serbs found themselves totally isolated from the world community which denounced them for their just struggle. We have arrived to render them fraternal assistance", he said.

Foreign Ministry Scores 'Offensive' Milosevic Remarks

PM2502144793 Moscow IZVESTIYA in Russian
25 Feb 93 p 1

[Boris Rodionov report: "Moscow Considers Milosevic's Remarks Offensive"—quotations marks as published]

[Excerpt] "It would be a mistake to think that Russia will let itself be insulted," a Russian Foreign Ministry spokesman has stated in connection with certain comments by Serbian President S. Milosevic reprinted in PRAVDA. Milosevic has called Russia's participation in the UN sanctions—"measures of genocide against the Serbian people"—a "disgrace to Russia."

Reprimanding the president for forgetting his etiquette, the Foreign Ministry spokesman expressed the hope that "in the future there will be no such comments aimed at Russia, which is doing everything possible to restore peace to the peoples of the former Yugoslavia, including the Serb people. In that event the door to our further cooperation remains open."

I think that instead of further fueling the debate and seeking out the righteous and the guilty, we should now concentrate on the opportunities for a peaceful solution to the protracted Yugoslav crisis.

Those opportunities exist. Deputy Foreign Minister V. Churkin, Russia's special representative at the talks on the former Yugoslavia, is continuing his consultations with the international coordinators C. Vance and D. Owen and with high-ranking representatives of the U.S. Administration. The outlines of a cease-fire agreement in Krajina are appearing: There, as is well known, the Croatian forces have launched an offensive against the Serbs on territory under UN protection. It is envisaged that five days after the conclusion of the agreement the Croats will withdraw their forces to the positions they occupied before the offensive began on 22 January. By the same deadline all heavy arms seized by the Serbs in Krajina will be returned to UN control.

The leaders of the three warring Bosnian sides have been persuaded to return to the negotiating table. We hope, the Russian Foreign Ministry spokesman stressed, that they will all go to New York without delay with the

appropriate powers for joint constructive work aimed at adopting the whole package of agreements. [passage omitted]

'Military Group' Attends Tokyo Defense Policy Talks

PM2502142593 Moscow KRASNAYA ZVEZDA in Russian
23 Feb 93 p 3

[Russian Federation Defense Ministry Press Center report: "Scientific Conference in Tokyo"]

[Text] A Russian military group headed by Lieutenant General A. Nikolayev, first deputy chief of the Russian Federation Armed Forces General Staff, is in Tokyo. Representatives of the Russian Armed Forces are participating in a scientific conference on questions of defense policy, which is being held by the Japanese National Defense Studies Institute.

Armies Need 'Normal Relations'

LD2602105993 Moscow ITAR-TASS in English
2019 GMT 25 Feb 93

[By ITAR-TASS correspondent Vladimir Solntsev]

[Text] Tokyo February 25 TASS—"Both Russian and Japanese armies need normal relations and they should not regard each other as foes," Lieutenant-General Andrey Nikolayev, first deputy chief of general headquarters of the Russian armed forces, said in an interview with Russian journalists on Thursday [25 February]. Nikolayev is currently on a visit to Tokyo having attended a two-day seminar on problems of defence during which Japanese officials received thorough information about Russia's defence policies, the condition and prospects for the development of its military potential.

During the visit Nikolayev and three other representatives of the general headquarters of the Russian armed forces and defence ministries met with representatives of the Japanese defence and foreign ministries.

Commenting on meetings and discussions, Nikolayev said that a small, but an important step was taken on the way to strengthening bilateral measures of confidence in the military sphere.

Nikolayev reminded that last September Russia and Japan had signed an intergovernment agreement on preventing incidents at sea and expressed the opinion that a bilateral agreement on preventing dangerous military activities could be signed at the next stage.

Nikolayev drew attention to the fact that both Russia and Japan realise the importance of creating a mechanism of ensuring security in the Asian-Pacific region, similar to the European process, and voiced the opinion that it's time to begin "weaving this cloth" on a bilateral basis without waiting until all states of the region come to terms.

Nikolayev believes that such major states of the Asian-Pacific region, as the United States, Russia, Japan and China, will create a network of bilateral agreements. Other states subsequently joining them will make it possible to create a regional system of security, Nikolayev added.

Nikolayev Denies Lobbying on Kurils

*LD2602084593 Moscow ITAR-TASS in English
1624 GMT 25 Feb 93*

[By ITAR-TASS correspondent Vladimir Solntsev]

[Text] Tokyo February 25 TASS—"The settlement of the Russo-Japanese dispute over territorial jurisdiction of Kuril Islands should be achieved as a result of interstate talks at the highest level," Andrey Nikolayev, deputy chief of the general headquarters of the Russian armed forces, told TASS on Thursday [25 February]. He rejected speculations that the Russian military were engaged in lobbyist activities as regards the territorial problem. According to the Nikolayev, the military, as any other citizens of a law-governed state, may have their own attitude to this problem. But if a political resolution is adopted at the top level and is ratified by the parliament representing the people, it will become an order for Russian servicemen to be obeyed.

Nikolayev is currently in Tokyo attending a two-day Russo-Japanese seminar on problems of defence which ended on Thursday. During the stay in the Japanese capital the Russian delegation consisting of three representatives of the general headquarters and the Russian Defence Ministry met with representatives of leaders of the Japanese defence and foreign ministries.

Nikolayev said that Russia and Japan should not wait for the settlement of the most important problem, but should develop their relations in various spheres, including in the sphere of defence, and prepare ground for this most important thing - the peace treaty - to become a reality.

Nikolayev Cited on Arms Sales

*LD2602043193 Moscow ITAR-TASS in English
2127 GMT 25 Feb 93*

[By ITAR-TASS correspondent Vladimir Solntsev]

[Text] Tokyo February 26 TASS—"Exporting weapons, Russia does not violate universally established regulations in this sphere," said Lieutenant-General Andrey Nikolayev, first deputy chief of the general headquarters of the Russian Armed Forces, currently on a visit to Tokyo.

In an interview with ITAR-TASS he said that part of the money Russia receives from arms sales abroad will be used for the conversion of Russian military industry. Nikolayev noted said that weapons are being sold by many countries of the world. "Last year Russia accounted for one-twentieth of the world's weapons

exports. If Russia withdraws from any world market, other countries—the United States, France or China, take its place," he said. According to Nikolayev, Russia is not supplying weapons to countries not recommended for weapons sales by the United Nations, and those states on which corresponding sanctions were imposed by the world community. Nikolayev said that Russia is strictly abiding by the Treaty on Non-Proliferation of Nuclear Weapons and a register of weapons not subject for sales. Nikolayev said that Russia is selling defensive weapons which was confirmed by a recent international arms fair in Abu Dhabi, where Russia exhibited air defence weapons, ground artillery, tanks and anti-tank facilities. According to Nikolayev, Russia has signed no agreements on sales of aircraft carrier warships.

Tokyo View of Territorial Issue 'Milder'

*LD2602111293 Moscow ITAR-TASS in English
0919 GMT 26 Feb 93*

[By ITAR-TASS correspondent Vladimir Solntsev]

[Text] Tokyo February 26 TASS—"The Japanese Government is aware that the territorial dispute with Russia can hardly be resolved by only one visit of Russia's top leader to Tokyo and it harbours no illusions on this score," Japanese Prime Minister Kiichi Miyazawa told a group of German journalists this Thursday [25 February], on the eve of Chancellor Helmut Kohl's visit to Tokyo, which is to begin today. ITAR-TASS has learned from well-informed sources.

Miyazawa's statement can be regarded as a sign that Tokyo's attitude to the territorial issue with Russia has become milder. Before the planned September 1992 visit of President Yeltsin to Japan, which was postponed at the last moment, the Japanese premier had repeatedly called for the solution of the territorial issue "at one stroke".

Miyazawa said he wanted President Yeltsin to come to Tokyo, because his visit it could give fresh impetus to the efforts "to establish broad friendly relations" between the two countries. He described as abnormal the fact that two such large powers as Japan and Russia still had no peace treaty and called for its conclusion even if this took some time. Miyazawa implied that Tokyo did not intend to reduce the talks with Moscow to the territorial issue alone. He said there were many other problems that should be discussed by both sides. The prime minister expressed the hope that the last "traces of Stalinism" would disappear from Russia's foreign policy once and for all.

According to the same sources, Miyazawa avoided answering the question about prospects for Yeltsin's invitation to the G7 conference in Tokyo, scheduled for July. The press had earlier reported that the Japanese premier intended to display a "positive approach" to such an invitation during his talks with Kohl.

Kazakhstan's Nazarbayev, Tereshchenko Arrive in Moscow

LD2502181493 Moscow *ITAR-TASS in English*
1552 GMT 25 Feb 93

[By *ITAR-TASS* diplomatic correspondent Leonid Timofeyev]

[Text] Moscow February 25 TASS—President Nursultan Nazarbayev and Prime Minister Sergey Tereshchenko of Kazakhstan arrived for talks in Moscow on Thursday [25 February]. They are due to meet with Russia's top leaders on Friday.

The sides are planning to discuss a wide range of problems relating to their bilateral cooperation in the economic, financial and other spheres, *ITAR-TASS* learned. The main points of talks are identified in the agreements the two countries signed earlier.

Prime Minister Meets Kazakh Leaders

LD2602113893 Moscow *ITAR-TASS in English*
1026 GMT 26 Feb 93

[By *ITAR-TASS* correspondent Ivan Ivanov]

[Text] Moscow February 26 TASS—Chairman of the Council of Ministers Viktor Chernomyrdin met President Nursultan Nazarbayev of Kazakhstan and Kazakh Prime Minister Sergey Tereshchenko here this morning. During their meeting, which lasted one hour and fifteen minutes, the sides discussed the establishment of a single economic and rouble space as well as problems relating to military cooperation between Russia and Kazakhstan.

Replying to *ITAR-TASS* questions after the talks, Nazarbayev said that the Kazakh delegation had arrived in Moscow at the invitation of President Yeltsin to "demonstrate at this difficult period of time, on the example of Russo-Kazakh relations, that the Commonwealth will exist, and that it is able to gain strength in conditions of the sovereign and independent existence" of CIS countries. Nazarbayev stressed that such meetings "are in keeping with the unswerving course of the Kazakh and Russian leaderships to rally closer within the frameworks of the CIS and to create a foundation, a backbone for our Commonwealth". The leaderships of the two countries, he added, "steadfastly support integrational processes in the Commonwealth".

Speaking about the purpose of his visit to Moscow, Nazarbayev said that the main task was to discuss the establishment of a single banking system. He stressed that if Russia continued the uncontrolled supply the roubles it emits to other CIS countries, the "rouble will never get up to its feet". "The countries that want to join the rouble zone, must reach agreement and honour the single rules of the rouble zone," he stressed. In his opinion, these rules should include a concerted crediting, missionary and tax policy. "They will have to sacrifice some of their sovereignty in this case for the sake of improving the living standards of their peoples and

strengthening the rouble," the Kazakh president said. He noted that during his talks with Chernomyrdin today, a conclusion was drawn that Russia, Kazakhstan, Belarus and Uzbekistan could be included in such a single rouble and economic zone.

Turning to problems of military cooperation, Nazarbayev said that "since Russia and Kazakhstan had signed a collective security treaty, we regard the territories of our two states as a single defence space. Hence, it is necessary to promote the further unity of our armies, to set up joint contingents. These are the proposals I have brought along here. We shall discuss them with Boris Yeltsin and leaders of the Russian Government".

Replying to reporters, Chernomyrdin stressed the need for Russia and Kazakhstan to coordinate their reforms. He also said that problems pertaining to cooperation in oil and gas extraction in CIS countries would be discussed at surgut on March 1 and 2. Heads of CIS governments have been invited there, as well as the premiers of the three Baltic republics and Georgia. "We are now looking forward to a very badly needed and useful talk there," Chernomyrdin stated.

President Nazarbayev is expected to meet Boris Yeltsin this afternoon, while intergovernmental Russo-Kazakh negotiations will be continued here.

Uranium Agreement Signed

MK2502120093 Moscow *KOMMERSANT-DAILY in Russian* 25 Feb 93 p 2

[Dmitriy Kadosov report: "Russia and Kazakhstan Coordinate Uranium Policy"]

[Text] On 24 February, the governments of Russia and Kazakhstan signed an agreement on fundamental principles of cooperation in the production of uranium, rare-earth metals, and precious metals. The agreement calls for the efforts of the two countries' enterprises to be coordinated in order to reestablish the sectoral links that were partially cut after the USSR broke up, and it is designed to ensure guaranteed deliveries, preferential customs treatment, and a joint export policy. In addition, the implementation of the agreement will help ensure production safety and the nonproliferation of nuclear materials and technologies.

During the existence of the USSR, a single network of "uranium cycle" enterprises evolved on its territory, including mines, chemical plants, enrichment plants, nuclear power plants, and waste storage facilities. The breakup of the USSR has crippled efforts to coordinate operation of these sites, which threatens the stability and safety of production processes. Sales have also been hit. The risk of strategic materials and qualified personnel draining out of the CIS has become very real. Formerly, Russian officials persistently denied that this problem existed, but in the past few months both Yevgeniy Primakov, director of the Foreign Intelligence Service, and Security Minister Viktor Barannikov have admitted

that fissionable materials are being smuggled out of the CIS countries, and that there is a brain drain into countries that are close to obtaining the technology required to create nuclear weapons. Furthermore, now that the nuclear industry is being decentralized, the CIS republics could gain independent access to the world uranium markets, including the black market.

Kazakhstan is one of the largest strategic raw materials suppliers in the CIS, which makes the current agreement particularly important. The agreement provides for guaranteed deliveries, a most favored nation status for customs purposes, the creation of a system of current reciprocal payments, and a mechanism for agreeing on minimum prices for products to be sold on the world market. On the Russian side, the agreement is to be implemented by the Atomredmetzoloto concern. The agreement calls for a coordinating council to be set up to assess the prospects for production development, identify investment areas, and devise a joint export strategy. Transnational corporations are also planned to be established involving enterprises of the former USSR countries. The term of the agreement is seven years. Earlier this year, Russia signed similar agreements with Uzbekistan and Kyrgyzstan, and is expected to do so with Tajikistan and Ukraine.

According to expert assessments, the republics of the former USSR account for 40 percent of the world's natural uranium reserves. Uranium is produced primarily in Russia, Kazakhstan, Uzbekistan (each having 30 percent of the reserves), and Ukraine (9 to 10 percent). Uranium is processed in Russia, Kazakhstan, Uzbekistan, Tajikistan, and Ukraine, but enriched only in Russia.

[Article includes a map showing locations in the former USSR of working uranium mines, exhausted or mothballed uranium mines, working uranium enrichment

plants, closed uranium enrichment plants, and uranium mines and enrichment plants about whose operation there is no reliable data]

Envoy to Sweden Requests Extradition of Hijacker

*LD2602061393 Moscow ITAR-TASS in English
1910 GMT 25 Feb 93*

[By ITAR-TASS correspondent Nikolay Vukolov]

[Text] Stockholm February 25 TASS—An official of the Russian Embassy to Sweden visited the Swedish Foreign Ministry on Thursday [25 February] and handed in a note requesting to extradite Tamerlan Musayev and his wife, Marina Musayeva, who had hijacked the TU-134 plane last Saturday under the threat of explosion making the plane land at Stockholm Airport.

The note pointed out that Swedish authorities had detained Musayev Tamerlan Rasulovich, who had hijacked the Russian passenger plane under the threat of explosion which posed a threat to passengers and the crew, whom Musayev held by force as hostages, and his wife, Nusayeva Marina Shotayevna, who acted as her husband's accomplice according to a preliminary investigation conducted by Swedish authorities.

In keeping with the 1970 Hague convention on fighting hijacking of planes such actions are defined as serious crimes and should not remain unpunished, the note said. The Russian side is appealing to the Swedish side with a request to extradite Musayev and his wife to institute criminal proceedings against them proceeding from the fact that the Russian court would conduct a just and impartial investigation into the case with due regard to excusable circumstances in the framework of the law, in particular to the fact that Mrs. Musayeva has a little child.

Political & Economic Issues

Shumeyko Urges Adoption of Constitutional Proposal

PM2602105993 Moscow ROSSIYSKIYE VESTI in Russian 26 Feb 93 p 1

[Interview with Vladimir Shumeyko, first deputy chairman of the Russian Council of Ministers, by Anna Broydo under the "Exclusive" rubric; place and date not given: "The Country Will Be Given an Opportunity To Work Normally and Efficiently If the Version of the Constitutional Agreement Proposed by the President Is Adopted, Vladimir Shumeyko, First Deputy Chairman of the Russian Council of Ministers, Stated in an Interview With ROSSIYSKIYE VESTI"]

[Text] [Broydo] Vladimir Filippovich, do you think that the reproaches being made by critics of the president's version of the constitutional agreement, who say that the executive is "pulling the blanket over itself," are legitimate?

[Shumeyko] Not at all; we simply want to be given an opportunity to work normally and efficiently. I was recently reproached at a "roundtable": "You are first vice premier, so you should be involved in economics rather than politics." I answered: "As your great Lenin said, politics is a concentrated expression of economics, so it is appropriate." The main problem in Russia today is the same one that the USSR faced three years ago. The crux of the matter is the actual principle of building statehood: Singling out one public institution in particular and investing it with the full panoply of power. At one time this was the CPSU, whereas now the Congress of People's Deputies has become such a structure. However, you cannot implement economic reforms in such a system, so the executive is forced to fight for a real separation of powers. And the president's option says: The President assumes his part of the power and guarantees its implementation, and at the same time instructs the Supreme Soviet to do the same thing. And another aspect that is of enormous significance for economic executives—it is planned that this procedure will be restored at least for the period until the new Constitution is adopted. Fair enough, let the Bank, the Pension Fund, and the State Committee for Statistics remain accountable to the Supreme Soviet, but they must be handed over to the operational authority of the executive, to ensure that it has an opportunity to implement a comprehensive economic policy.

[Broydo] Meanwhile, a number of parliamentarians are claiming that the presidential team is consciously putting forward deliberately "impenetrable" demands, since it is not hoping for the effectiveness of any agreements, but is continuing to be geared to a referendum.

[Shumeyko] To my mind, there is nothing terrible in the president's version. Furthermore, as it happens, the people's deputies—the Supreme Soviet group we met with on Saturday—believe that it is better not to adopt

the agreement, but simply to make the appropriate amendments to the Constitution. But we do not know whether Congress will adopt the proposed amendments. We believe, however, that it will only be possible to reach decisions if a single document is submitted to the Congress—it is unimportant whether it is called an agreement or a constitutional law—and it is examined as a whole, rather than broken down into individual statutes. Here we can only hope for the deputies' common sense. If our hopes prove to be vain, then all reserves will have to be used. The president has the constitutional right to make an initiative on convening an extraordinary Congress to resolve one question—should there be a constitutional agreement or not? If this initiative proves fruitless too, then naturally, the president will only be left with the option of a referendum.

[Broydo] Coming to the president's recent appearance on television—why was there a need for such a direct address to television viewers?

[Shumeyko] Two of the three parties who signed the agreement at the Congress—Khasbulatov and Zorkin—have a collective organ behind them, and can always hide their personal opinion behind its decision. The president does not have this option, however, and so, in such a complex situation, he was simply obliged to make the proposal himself to adopt this version of the agreement. Everything is absolutely in order here, both from the legal and human point of view.

Yeltsin Withdrawal of Privatization Drafts Viewed

PM2502162993 Moscow IZVESTIYA in Russian 25 Feb 93 p 1

[Dmitriy Khrapovitskiy article: "Privatization Program Will Take Into Account Wishes of Russian Supreme Soviet and Subjects of Federation"]

[Text] On 24 February it became known that Boris Yeltsin has withdrawn the draft state program for the privatization of state and municipal enterprises for 1993 from the Supreme Soviet as well as the draft law on privatization checks.

In a letter addressed to Khasbulatov, the president explains this decision by saying that he wants the program to take account of the wishes of a number of people's deputies, Supreme Soviet committees, and subjects of the federation. The main aim of those wishes is to increase the rights of the regions with due regard for the Federation Treaty. Yeltsin recalled that the Supreme Soviet's Interpublic Relations, Regional Policy, and Cooperation [sotrudnichestvo] Committee and a number of deputies have asked him for further work to be done on the privatization program. "I think that this proposal deserves attention," the president wrote.

It would seem that the withdrawal of the state privatization program and the draft law on privatization checks will mean a delay with the final decision. But I would recall that last year the corresponding privatization

program "went missing" in the Supreme Soviet for about two months. Now the Supreme Soviet has clearly reacted more quickly by refuting suspicions that it intends to put the state privatization program "on hold" if not "indefinitely" then at least until the summer.

The proposed reworking fits into the pattern of the present general political strategy—placing emphasis on the regions. In addition, this precedent possibly gives Russia some opportunities for constructive cooperation between the executive and the legislature. The Supreme Soviet, where there are enough outright opponents of privatization, has begun to take part in the reworking of the program. At least there has been some movement....

There are around 50,000 private enterprises in Russia now and the budget revenue from privatization is 164 billion rubles. However, privatization is proceeding unevenly. At a conference of heads of governments and chairmen of state property management committees of republics belonging to the Russian Federation [Russian Government Chairman] Viktor Chernomyrdin said that, together with the Russian State Committee for the Administration of State Property, they should create a common Russian scheme for administering privatization which could be applied in any region with due regard for the local specifics.

The head of the government stressed that the methods of managing privatization should not be our traditional command methods, they should be flexible. They should make it possible to utilize existing production capacities as effectively as possible without interference.

Rutskoy Says Central Bank Should Set Exchange Rate

*OW2502164493 Moscow INTERFAX in English
1625 GMT 25 Feb 93*

[Following item transmitted via KYODO]

[Text] The stabilization of the economic situation in Russia cannot be accomplished without the stabilization of its financial system, said Vice-President Aleksandr Rutskoy in a Thursday [25 February] speech before the yearly meeting of shareholders of the bank Vozrozhdenie at the Center for International Trade in Moscow.

Rutskoy sharply criticized the practice of setting the rate of the national currency "on some exchange," which he said was not done "in a single civilized state." In his opinion, the official exchange rate of the ruble should be established by the Central Bank of Russia proceeding from the real buying power of the ruble by comparison with the dollar.

The vice-president, who heads the Commission on Fighting Crime and Corruption in Russia, noted among other negative tendencies the growth of crimes in the economic sphere. According to Rutskoy, in 1992 Russia produced a 150-trillion-ruble gross national product, but was robbed of an additional 10 trillion rubles.

Rutskoy also expressed certainty about Russia's rebirth, which was happening, he said, thanks to "the healthy part of society occupying centrist positions."

Rutskoy Notes Financial, Political Needs at Bank Meeting

*LJ2502220393 Moscow ITAR-TASS in English
1541 GMT 25 Feb 93*

[By ITAR-TASS correspondent Igor Belsky]

[Text] Moscow February 25 (TASS)—Russian Vice-President Aleksandr Rutskoy called for Russia's revolutionary changes, speaking on Thursday [25 February] at the annual meeting of Moscow's Vozrozhdenie joint-stock commercial bank.

The vice-president opposes any political upheavals and sees Russia's future in the hands of centrist forces.

He described the present situation in the country as "crisis of minds". Rutskoy said that the main thing now is "to determine, at long last, what we want." The vice-president claimed that "the very idea of the state's development" has not been conceived. Having no aim, it is impossible even to draft a concept of its accomplishment, he noted.

The vice-president also dwelt at length on financial and economic problems in the country, stressing that Russia badly needs a streamlined financial mechanism, since finances are the foundation of statehood.

Rutskoy spoke of the preparation to set up an international financial foundation which will guarantee investments in Russia's agro-industrial complex.

Council of Ministers Approve Economic Reform Plan

MK2502130693 Moscow KOMMERSANT-DAILY in Russian 25 Feb 93 p 3

[Sergey Viktorov report: "Government Plan of Action Approved. Government Puts Its Stakes on Formal Figures"]

[Text] The Russian Council of Ministers has finalized its economic program. A decree signed by Viktor Chernomyrdin approving the "Plan of Action by the Russian Federation Government To Pursue Economic Reform in 1993" was officially circulated on 24 February. In this plan, the Council of Ministers states its formal commitment to a tough financial policy.

The government has officially recognized financial policy as its priority. The decree says that keeping the budget deficit within 5 percent of GNP is the Council of Ministers' key macroeconomic target. Thus, the "tough option" of credit policy has finally been decided on. According to experts, this option will entail a monthly 7

to 10 percent growth in money supply, an 8 percent increase in unemployment, and a 20 percent fall in industrial production.

The entrepreneurial climate in Russia will be especially affected by the planned measures such as introducing strict quarterly limits on the issue of credits, raising the interest rate on Savings Bank deposits, increasing excise duties on oil and gas, and cutting back subsidies to agricultural producers. An important move is the planned financing of the budget deficit with securities. This means that the banknotes already issued will be temporarily withdrawn from the market in a bid to prevent an inflationary crisis.

In approving the tough option of financial policy, Chernomyrdin has confirmed that the main thing for the government is the purely formal figure of the budget deficit, while the forecasts of production decline are of secondary importance. In other words, the Council of Ministers is giving priority to the demands by international financial circles (which have always been guided by the budget deficit figure), rather than those of the inefficient Russian sectors that demand that the production slump be stopped.

Independent experts see it as a signal that the government's actions this year will be purely pragmatic. This pragmatic approach is dictated by the desire first and foremost to postpone the repayment of Russia's foreign debt, and it suggests that there will be renewed attempts to attract Western financial aid to Russia. As for the opposition to this policy from the inefficient industries that cannot be regarded as potential sources of hard currency, the government will have to simply put up with it, since it does not have the actual resources to continue the attempts to kill two birds with one stone.

Central Bank Unveils 1993 Financial Stabilization Program

OW2502133893 Moscow INTERFAX in English
1321 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] The Central Bank of Russia [CBR] this week prepared and submitted a report to the Russian parliament which lays out the main directions of Bank credit and monetary policy for 1993 and makes proposals for the stabilization of the financial and economic situation in Russia.

INTERFAX, having received a copy of the text of the Bank's new program, officially called "Main Directions in Monetary and Credit Regulation in 1993," here presents its main points.

GROWTH OF THE MONEY SUPPLY

The main goal of the Russian leadership in the next few months must be the prevention of hyperinflation. The report emphasizes that with a 40-50% monthly growth in

prices, "there has emerged the real danger of the development of an uncontrolled financial and economic crisis." In order to reduce the rate of inflation, the Bank intends, especially, to control the growth of the money supply. The views of the Bank leadership differ with the plans of the government, however, as to estimates of price growth.

The Bank insists on the necessity of a "moderately restrictive monetary and credit policy," and asserts that the money supply should, toward May 1993, come to not more than 13.4 Tn [trillion] rubles, some 3.1 Tn more than envisioned by the government's stabilization program. The monthly rate of growth of the money supply, according to the estimates of the CBR, should, in the next few months, be about 20%. "Any sudden change in plan," the Bank emphasizes in its report, "may lead to more serious consequences than the costs of the current course." The Russian government, for its part, in a plan signed by Prime Minister Viktor Chernomyrdin this week, plans to reduce the monthly rate of growth of the money supply to 7-10% "toward the end of the year," making no note of the rate of growth of the money mass in the first four months of the year. Last week, however, Vice-Premier Vladimir Shumeyko said that the government intends in the near future to establish a 7-10% monthly money mass growth rate in the near future. A similar figure, 10%, was named this week by Vice-Premier Boris Fedorov while speaking about the government's financial policy.

If the Central Bank were to orient itself toward the position of the government, it would have to completely "stop issuing credits" and demand the return of part of the loans it has already given. The report emphasizes that even if this were done, the money supply will grow from 8.5 to 10.3 Tn rubles, in comparison with 7.1 Tn rubles in circulation as of 1 January 1993 (and 928.4 Bn [billion] rubles on 1 January 1992).

All credits, stressed the Bank report, will be given by the Bank to the Russian government in the amounts specified and approved by parliament.

MONETARY POLICY

The Central Bank also intends to make "fundamental changes" in the existing system for determining the exchange rate of the ruble. The most important step would be the introduction by the Bank of a fixed ruble exchange rate in the near future. The CBR emphasizes in its program that "it could present an initiative for a transition to a fixed ruble rate" on 1 April 1993. Such actions, states the CBR, would be closely linked with government steps to introduce the 100% sale of Russian exporters' hard currency earnings.

The Bank intends to set and change the fixed ruble exchange rate with respect to the following:

—exchange rates on currency exchanges;

- the actual rate in transactions on the interbank market (quotations of commercial banks);
- information on Russia's balance of payments;
- information on the dynamics of the money supply; and
- information on the relative buying power of the ruble and the dollar.

In order to carry out the fixing of the ruble exchange rate, the Bank is suggesting that it be given complete control over the Russian Committee for Precious Stones and Metals (Komdragmet) and all of the sub-departments of the Committee of Enterprises and Organizations.

Komdragmet, which is currently a state committee (formerly subordinate to the Russian Finance Ministry), controls Russia's gold mining and diamond-cutting industries, as well as Russia's gold and diamond assets.

According to the Bank of Russia, giving the CBR control of Komdragmet's highly liquid assets will allow "the most rapid attraction of currency resources into the country," the stabilization of the ruble exchange rate, and will also strengthen faith in the ruble.

The Bank also contends, however, that the actual introduction of a strict rate will be possible only with the postponement of payments of Russia's external debt and the use of the International Monetary Fund's stabilization fund, which was first discussed in the spring of 1992.

Policy Guidelines Outlined

OW250223793 Moscow INTERFAX in English
1846 GMT 25 Feb 93

["Cover Story" from the "INTERFAX Business Report"—following item transmitted via KYODO]

[Text] The Central Bank of Russia (CBR) has prepared its own financial policy for the republic for 1993, which contradicts several points of the government's "stabilization program" approved last week.

The CBR said the nation must battle run-away inflation and told the government to cut spending, but pointed out that "imposing a harsh financial policy to stabilize the economy" will only exacerbate Russia's financial and economic problems. The main focus of the bank's financial policy is to introduce a fixed rate for the ruble and eliminate the use of both the ruble and the dollar in the Russian economy.

CBR POLICY TO CURB INCREASE IN MONEY SUPPLY STRAYS FROM GOVERNMENT POLICY

The draft of the financial program submitted to Parliament this week by the central bank specifies that by May the money supply must not exceed 13.4 trillion rubles, 3.1 trillion rubles more than that outlined by the government program.

CBR calculations estimate the monthly increase in money supply at 20% over the next three months. The government plans to cut the monthly increase in the money supply to 7-10%.

If the CBR observes the government program, the bank must stop granting loans and call in a large portion of credits previously extended. However, even in this case the money supply will grow to 10.3 trillion rubles, as compared with 7.1 trillion rubles as of January 1, 1993 (0.9 trillion rubles on January 1, 1992).

Central Bank experts said if the bank ceases to finance the Russian economy (the bank is the main financier for enterprises and commercial banks) the crisis in payments between Russian enterprises will worsen, and "production will fall off sharply and social problems intensify."

The Central Bank, in an attempt to avoid the uncontrolled credit emissions seen in 1992, is ready to impose direct limitations on credit emissions in 1993. The bank will set these limits each quarter based on the expected inflation rate and money supply.

Forecast Central Bank Credits (Bn [billion] rubles)

	1/03/93	1/04	1/05
CBR program	4800	5700	6850
Government program	3250	3250	3250

BANK OF RUSSIA TO "GRADUALLY" INTRODUCE FAVORABLE INTEREST RATE

The program states that the Central Bank of Russia was unable to keep interest rates on bank loans in 1992 on a level with inflation.

The CBR said introducing a favorable interest rate in the near future is not possible "without adding steam to downward trends in the economy". The bank said if interest rates are set at 800% (the average inflation rate in 1992, not including sharp increases in prices in January 1992), prices for manufactured goods will jump 50-100%. Therefore the bank plans to introduce a favorable interest rate gradually.

The CBR's first step will be to set higher rates on credits granted through special auctions.

The second step may include an agreement between the bank and banking associations to support a fixed rate between CBR rates and interest rates charged by commercial banks. This would control the increase in average interest rates on bank credits.

BANK MAY SUGGEST FIXED RATE FOR RUBLE TO HARD CURRENCY

The CBR will make "substantial changes" in the existing system for setting the relation between the ruble and hard currency. The introduction of a fixed rate for the

ruble to hard currency - possibly on April 1 - could be a vital step. These steps must be accompanied by government measures to introduce the 100% sale of hard currency export revenues (currently at 50%).

The central bank will set and adjust the fixed rate based on:

- rates on the currency exchanges;
- the actual rates in transactions on the inter-bank market (commercial bank quotations);
- information on Russia's balance of payments, changes in the money supply and the relationship of the ruble's buying power to the U.S. dollar.

The CBR proposed that, in order to introduce a fixed rate for the ruble, the Committee for Precious Stones and Metals (Roskomdragmet), which controls the Russian gold mining and diamond business and forms the state precious metals repository, and its organizations, be placed under bank control.

The bank said the appearance of highly liquid Komdragmet assets on the bank's balance sheet and the right to manage these assets will allow hard currency resources "to be drawn to the economy in the shortest time possible" and bring the stabilization of the ruble.

However, the CBR said introducing a hard line is possible only if Russia is given a deferment on its foreign debt and access to the International Monetary Fund stabilization fund, first discussed in the spring of 1992.

Credit Policy Eyed

OW2502195193 Moscow INTERFAX in English
1916 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] INTERFAX, which has the text of the Central Bank of Russia's financial program at its disposal, continues publication of its highlights.

The program, officially named "Main Directions in Monetary and Credit Regulation in 1993 (draft)," was submitted to parliament this week.

CREDIT POLICY.

In 1992 the Central Bank of Russia (CBR) failed to bring interest rates on banking credits in line with the inflation rate. What is more, a positive rate can hardly be introduced "without intensifying negative processes in the economy." If the interest rate on CBR credits is frozen at 800% (the 1992 inflation rate, leaving out the dramatic price increases in January 1992), the prices of industrial goods will increase by 50 to 100%. Simultaneously, the Bank will have to increase the rate on credits made available to the government in order to finance budgetary expenditures and this will result in a sharp increase in the budget deficit.

For this reason "the movement towards a positive interest rate must be gradual."

To avoid the uncontrolled issue of credits such as that in 1992, the CBR intends to impose direct constraints on credit emissions and impose quarterly limits to adapt to the forecast inflation rate and the amount of cash in circulation.

To curb credit emissions and gradually increase the discount rate, the CBR will start credit auctions throughout Russia at which the interest rate on credits is expected to run much higher than the basic CBR rate. Another tool to curb credit emissions will be a new, more efficient, system of reserve requirements for commercial banks and credit institutions. In particular, the CBR intends to extend reserve requirements to saving banks and on the fastest growing kinds of banking deposits and to restrict access to CBR credits for those banks that cannot meet CBR reserve requirements.

BUDGET DEFICIT.

The CBR proposes "making fiscal policy more stringent" by reducing state expenditures. "Increases of credits to the Finance Ministry result in faster emissions and a higher inflation rate" and so the Bank thinks that it would be "undesirable" to cover the entire budget deficit through CBR credits. A major part—50 to 60%—of the deficit must be covered by issuing short- and long-term state bonds.

In 1992, the average interest rate on loans to the budget was eight percent against a general CBR discount rate of 20 percent in January and 80 percent in December 1992. CBR credits to the Finance Ministry as of January 1, 1993 totaled 2987 Bn [billion] rubles.

The CBR also suggested that:

- no credits be given to the government for a term of over one year (52.75% of CBR credits issued to cover the budget deficit were issued for a period of 10 years);
- the Finance Ministry be given the right to issue bonds on conditions, most favorable for investors;
- the size of the internal state debt as of January 1, 1993 and January 1, 1994 be determined and entered into legal documents;
- credits given by the CBR to the Finance Ministry be converted into securities;
- the interest rate on credits to the Finance Ministry be made closer to that for commercial banks.

'United Opposition' To Nominate Presidential Candidate

LD2502193993 Moscow ITAR-TASS in English
1650 GMT 25 Feb 93

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow February 25 TASS—If early general elections are called in Russia, the united opposition intends to nominate its own candidate for Russian Presidency and agree on joint nominations for seats in the parliament, parliament member Sergey Baburin told a news conference here today.

The news conference was organized by the parliament opposition bloc Rossiiskoye Edinstvo (Russia's Unity). The united opposition consists of the Rossiiskoye Edinstvo bloc, the Rossiya faction, the National Salvation Front and a number of other political parties and movements of patriotic and communist orientation.

In recent weeks, it sprang to the front page news with its public tribunal trial of the former Soviet president, Mikhail Gorbachev, the All-Russia Army Conference and a mass rally on February 23, Day of Motherland's Defenders.

Sergey Baburin told the news conference that the united opposition has formed a coordinating council, whose members are retired General Vladislav Achalov in charge of defence matters, members of parliament Aman Tuleyev (coordinator of economic problems), Mikhail Astafyev (foreign affairs) and Sergey Ivanchenkov who is in charge of the social sphere.

Call For Early Elections

OW2502164293 Moscow INTERFAX in English
1624 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] The referendum is a threat to the territorial integrity of the Russian Federation, according to Sergey Baburin, who was speaking at a press conference given by the united opposition in Moscow Thursday [25 February]. Baburin, an opposition leader, said that a coalition government of national re-birth must be formed this spring. If such a cabinet could not be formed, he continued, early presidential and parliamentary elections must take place in the summer or fall of 1993.

"The presidium of the Russian parliament has received a draft Supreme Council resolution on urgent measures to stabilize the constitutional organization. The draft was prepared by the "Russian Unity" opposition bloc." This announcement was made by Vladimir Isakov, another opposition leader. Isakov pointed out that the document did not acknowledge the draft power-sharing agreement between the two branches of power offered by the president as acceptable. It also called for an end to preparations for the nationwide referendum until the 8th Congress of Russian People's Deputies could convene. "Russian Unity" said that the Congress should meet on March 17th.

The opposition had, Isakov said, drafted "soft and harsh" agendas for the Congress. The final decision on

which of these options to choose would depend on those circumstances which were prevalent at the beginning of the Congress' work.

Isakov announced that the Congress, under the "soft option", would discuss the president's proposal for the power-sharing agreement and cancel the relevant resolution passed at the 7th Congress on December 12. In addition, the Congress should fix a date for new presidential and parliamentary elections, discuss amendments to the existing constitution concerning the division of powers, and hold by-elections for members of the Constitutional Court and the deputy parliament speaker.

Isakov said that "Russian Unity" would insist on the "harsh" option for the holding of the Congress after stressing that "the president's circles were currently preparing the most rigid measures in case the Congress cancelled the referendum." The latter option provided for the resignation of Ruslan Khasbulatov, whose "constant political games went beyond all conceivable political boundaries." The Congress, after elections for a new parliament speaker, should discuss the possibility of the president himself standing down, the introduction of a state of emergency in the economy, and the appropriate amendments to the constitution.

Sergey Baburin described the recent accusation by former KGB general Oleg Kalugin that he had collaborated with the KGB itself as "a fabrication of political importance." "I do not know to whom I should turn - a court or a psychiatric home - after this false accusation," he said.

1993 Starting Prices Set on Agricultural Products

OW2502170293 Moscow INTERFAX in English
1625 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] Agricultural producers will be able to make contracts for the delivery of the 1993 harvest based on an average price of 28,000 rubles per ton of grain, 7,000 rubles per ton of sugar beets, and 40,000 rubles per ton of sunflower seeds. The prices were determined by an agreement signed on Thursday [25 February] between the Ministry of Food and Agriculture and the Roskhlébo-produkt on one side, and the Agrarian Union and the Association of Farmers on the other.

Contracts based on these prices will be signed in the coming months between grain producers and the state according to which the producers will be paid a 50% advance on the price of their produce. The new prices are about 2.5-3 times higher than those used last fall.

By comparison with the preliminary version of the text, to which Agrarian Union objected, the signed version had higher prices for common grain, from 16-22,000 rubles per ton to 18-24,000 rubles per ton. The agreement also stipulated that at midsummer, new price agreements on agricultural products would be signed

with producers which would take into account the growth of prices for material and technical factors required for farming; the new agreement would also determine the final payments for deliveries.

Chernomyrdin Aims To Keep Control of Privatized Firms

MK2502142593 Moscow KOMMERSANT-DAILY in Russian 24 Feb 93 p 9

[Aleksandr Slavuk report: "Government Advocates Control of Private Enterprises"]

[Text] Viktor Chernomyrdin, chairman of the Russian Council of Ministers, and his deputy Anatoliy Chubays clarified the government's stance on privatization in 1993. This happened yesterday at a conference on questions of privatization attended by heads of government, property management committee chairmen, and permanent representatives of the Russian Federation republics held at the President Hotel.

Chubays aide Arkadiy Yevstafyev told a KOMMERSANT-DAILY correspondent that the conference was preplanned and unrelated to the political situation in the country. The State Committee for the Management of State Property had simply decided to look at how privatization is progressing in practice in the republics. According to Yevstafyev, the conference showed that there are no opponents of privatization among the Russian republics' leadership. However, experts note, the republics have anyway fairly limited resources to resist the committee's policies because its structural units have effectively been placed outside the sphere of influence of the republican authorities. Furthermore, in a recent instruction to Chernomyrdin Yeltsin approved the policies pursued by the state property committee and suggested that the committee should be shielded from any interference on the part of other ministries and departments. "Any actions or public pronouncements by leaders belonging to the government casting doubt on the idea of people's privatization" are ruled out of order because "they cause political damage that is hard to measure." Under the circumstances, the only way for the republics to achieve any real changes in the course of privatization is to bypass the government by directly appealing to parliament.

Chubays conceded at the conference, however, that the most formidable problem in 1993 would be the division of ownership between the federation and the republics. The government is, in his view, entirely capable of resolving this problem, though, and it has drawn up a document that is in effect revising the Council of Ministers decree of 27 December 1992 on the division of ownership. At the same time, Chubays did not exclude the possibility that the law on privatization checks now being reviewed in the Supreme Soviet and the 1993 privatization program could be recalled so as "to finalize the issues related to the rights and the subjects of the Federation."

Viktor Chernomyrdin's speech was judged by observers as particularly important for the assessment of the government position. Among other things, he called on the republics' leadership to create, together with the state property committee, "a scheme for the management of privatization processes common to Russia that could be applied in any Russian region taking into account specific local features." Observers were also struck by the premier's statement about the need for creating "a mechanism to manage all types of property, whether state, private, leased, or other property," because "private enterprises must not be outside the sphere of state activity." Experts believe that these words of Chernomyrdin testify to his intention to exert control over enterprises even after they are privatized.

Four Million Unemployed; Chernomyrdin Warns of Increase

MK2502105093 Moscow ROSSIYA in Russian No. 9, 24 Feb 93 p 5

[From the "Info-Rossiya" column: "Chernomyrdin Names Priorities"]

[Text] Prime Minister Viktor Chernomyrdin has admitted that Russia is threatened with increasing unemployment, and called upon chiefs of enterprises and industries to "think about the creation" of more jobs. Addressing a congress of the Russian Construction Workers Union on 20 February, he said that unemployment in the country currently stands at 4 million, but stressed that the government has "contradictory" figures on that score.

The premier listed five priority areas in the government's work: the stabilization of the fuel and energy sector; the provision of food for the population; military conversion; support for science, especially fundamental research, and the social sphere.

Explaining these priorities, Chernomyrdin said that Russia today "is unable to provide food for the population for the three months of the year that it imports using hard currency earned by selling oil and gas." The Russian countryside, Chernomyrdin is convinced, is in a position to "feed the country" if given the attention it deserves.

The congress of the Russian Construction Workers Union, which represents the interests of 6 million construction workers, called for a special government program to stabilize the operation of the construction sector, and for a 50 percent reduction in the profit tax for organizations working on construction projects ordered by the state.

Minister Gives 1992 Figures for Oil, Coal Output Decline*MK2502111293 Moscow KOMMERSANT-DAILY in Russian 24 Feb 93 p 9*

[Nikolay Podlipskiy article: "Minister Counts on Foreign Investments"]

[Text] Yuriy Shafranik, Russian fuel and energy minister, devoted his first press conference since his appointment to the performance last year of Russia's fuel and energy sector and the prospects for its development. He believes that positive changes are bound to occur in 1993, primarily in the financial situation of the sector and its relations with the former Union republics. The minister said, however, that overcoming the crisis in the sector is directly contingent on an inflow of foreign investments, including from the Commonwealth of Independent States.

According to Shafranik, the main positive result of the past year for fuel and energy enterprises was the maintenance of their operating capacity despite a production decline and the financial difficulties that plagued their work.

In the minister's view, the oil and coal industries found themselves in a particularly tough situation. Oil production last year fell by approximately 62 million tonnes, while coal output, following frequent accidents and strikes in 1992, was less than 328 million tonnes (down from the record high of 416 million tonnes in 1988). Shafranik cited the destruction of the sector's vertical management structure and long years of delay in the technical modernization of coal-producing enterprises as the main reasons for the critical condition of the coal industry.

In the minister's opinion, the situation in the gas and electricity industry is much more stable. The Gazprom concern's natural gas production fell by only 0.4 percent, with experts believing that even that slight fall was due only to a reduction in domestic demand caused by the mild winter. Electricity generation last year declined by 5.4 percent. Experts point out that this figure was lower than the decline in industrial output, which led to a further increase in the figure for the energy required to generate the gross national product.

Commenting on the sector's financial condition, Shafranik noted that the crisis had primarily been reflected in enterprises' production and investment activity. According to him, the underlying reason for the crisis is that controlled energy prices lag behind the free prices for the goods and services consumed by fuel and energy enterprises. In addition, the sector was strongly affected by the crisis of payments. According to the Fuel and Energy Ministry, as of 1 January 1993, fuel and energy enterprises were owed 1.8 trillion rubles, whereas their debts amounted to 1.1 trillion rubles.

Concerning the prospects for the sector's development, Shafranik said that "it is impossible to pursue economic reforms without decontrolling energy prices." At the same time, he said that in the current year the task of regulating them "by economic methods" was being put forward. Furthermore, according to Shafranik the production slump cannot be overcome without drawing additional foreign investments and assistance from all the CIS states in developing new deposits. The Russian Government is therefore pinning great hopes on an oil and gas law being adopted by the Supreme Soviet: It should help create the necessary legal foundation for attracting foreign investments.

[Article contains following text in two boxes.]

Box 1. Export-Import Balance of Russia's Fuel and Energy Sector:

- it is expected that oil exports in 1993 (including to the CIS countries) for state needs will reach 45.9 million tonnes;
- to meet the oil industry's demand for imported equipment, pipes, and chemical reagents, 25 million tonnes of overall exports will need to be sold. To ensure the importation of aviation oils to Russia, 1.5 million tonnes of heating oil will be required;
- it is expected that coal exports in 1993 will fall by 2.9 million tonnes. Supplies to the CIS states will remain at last year's level;
- the import of coal from Kazakhstan will grow by 5 million tonnes;
- despite falling gas output, Russia will remain a leading exporter, accounting for 37 percent of overall world export.

Box 2. Fuel and Energy Production in 1991-1993

Oil and gas condensate (million tonnes):

- 1991: 461;
- 1992*: 399;
- 1993**: 351.

Coal (million tonnes):

- 1991: 355;
- 1992*: 338;
- 1993**: 340.

Natural gas (billion cubic meters):

- 1991: 643;
- 1992*: 640;
- 1993**: 647.

Electricity Generation (billion kW/hrs):

—1991: 1068;
—1992*: 1011;
—1993**: 1010.

* Preliminary estimate; ** Forecast.]

Coal Industry Needs at Least \$600 Million in 1993

OW2502223693 Moscow INTERFAX in English
1847 GMT 25 Feb 93

[From the "INTERFAX Business Report"—following item transmitted via KYODO]

[Text] The Russian coal industry, which saw a drop in production from 415 Mn [million] tons in 1988 to 327 Mn tons in 1992, needs \$600-700 Mn in 1993, mostly to import mining machinery, equipment and spare parts traditionally used in the industry.

The industry's decline will continue, said Deputy Head of the Ugol Rossii corporation, Yuriy Lukyanov, if the hard currency for the necessary machinery is not made available to the industry.

This year's budget does not specify any hard currency funding for the industry, said Lukyanov.

The industry hopes that German government credits, granted in 1992, will be unblocked after negotiations on the credits resumed this week. Part (DM [Deutsche marks] 172 Mn or about \$103 Mn) of the DM 5 Bn [billion] (\$3.3 Bn) credit should be used to import mining equipment from a number of German companies.

Russia has already signed contracts with 10 German companies, which are planned to be paid for using the German credit. Contracts should be implemented immediately after the credit has been unfrozen.

The industry also plans to receive \$50 Mn to purchase parts and components for mining equipment under a \$600 Mn rehabilitation credit granted Russia by the World Bank this year. The preliminary terms of the credit specify that a competition will be held among Western companies for the most favorable contracts under the credit. The foreign economic association Zarubezhugol will act as the Russian contractor.

However, even if both these programs are implemented, Russia will be short of mining equipment this year, said Lukyanov. Meanwhile, experts think that at the present time the government cannot make available enough hard currency to solve the industry's problems. Last year, instead of the planned \$600 Mn (in exchange for the export of 12 Mn tons of coking coal), the industry was granted \$10 Mn.

Government Creates Stocks of Foodstuffs for 1993

OW2502212293 Moscow INTERFAX in English
1918 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] The Government of Russia has determined the size of federal stocks of foodstuffs for 1993. An ordinance signed by Premier Viktor Chernomyrdin provides for purchases of 11.8 million tons of grain, or 15 percent of the harvest. The stocks are also to include 33 percent of the total sugar, 34 percent of meat, and 26 percent of milk and dairy production.

The purchases for federal stocks amount to one half or third of what the state used to buy in previous years. The remainder will be sold in the market place and channeled to regional stocks.

According to Lyudmila Shakhova, who heads the Ministry of Agriculture's division on production forecasting and production balance of the agroindustrial sector, in the context of transition to a market economy the federal stocks "will assure that the Army, large industrial centers, and regions whose own production is insufficient will be kept supplied."

Industrialists' Congress Opens in Moscow

LD2502164193 Moscow ITAR-TASS in English
1324 GMT 25 Feb 93

[By ITAR-TASS correspondent Pavel Gordeyev]

[Text] Moscow February 25 TASS—The second congress of the League of Industrialists and Manufacturers opened in Moscow today. More than 200 delegates, representing all the regions of Russia, have gathered in the conference hall of the Russian Academy of Management to discuss and adopt decisions on the most pressing problem of our times—the formation of a non-government investment corporation, capable of attracting large investments to develop the Russian economy's priority sectors.

"At the time of a deep-going economic crisis, when state investments into the economy have dropped by 50 per cent in 1992 alone, we must step up our efforts to safeguard and develop the Russian productive potential," the congress was told by President of the League of Industrialists and Manufacturers Aleksandr Soziyev. "The corporation must set up urgently for this purpose a regional network of banks to distribute the obtained credits on the spot."

ITAR-TASS has learned that heads of the U.S. Electronic Industry Association and the United Nations Industrial Development Organisation. They are ready to start drawing up four investment projects for the electronic industry right after the congress. Expert estimates show that the volume of investments into them may amount to seven billion U.S. dollars.

Government Anticrisis Plan Evokes Criticism

MK2502135693 Moscow KOMMERSANT-DAILY in Russian 25 Feb 93 p 9

[Viktor Serov report: "National Interests Require Firm Policy"]

[Text] The Russian economy is in a deep crisis with unpredictable political and social consequences, Deputy Prime Minister Boris Fedorov told industrialists at a meeting on 24 February. The meeting focused on a set of urgent anticrisis measures that had been drawn up by the Council of Ministers. According to those who attended the meeting, the government's program needs to be significantly modified. Meanwhile, Viktor Chernomyrdin approved the government's plan of action for 1993 even before the meeting took place.

The monthly inflation rate, which is currently around 30 percent, has brought the Russian economy to the brink of bankruptcy. According to Boris Fedorov, under the circumstances, national interests require austerity measures aimed at stabilizing the financial system and eliminating the economic disparities in industry. At the same time, the deputy prime minister confirmed that the government would continue to stick to its priority, a consistent monetary policy that will ensure both that the inflation rate is brought down and that social safety nets are created for the population. The measures proposed by Chernomyrdin's cabinet, he said, may cause GNP to fall by another 20 percent. Independent experts, however, citing IMF forecasts, predict that not only will such development fail to resuscitate the Russian economy, but it will bring about an irreversible process of economic deterioration.

These fears were echoed by Leonid Abalkin, director of the Russian Academy of Sciences Economics Institute, who said that the government's policies should be "not adjusted, but changed." According to Abalkin, the set of urgent measures proposed by the Council of Ministers has no chance of producing positive results. The first sign that the production slump will continue can be discerned, he said, in the downturn in investment activity in Russia. The government and Central Bank should urgently agree on a joint stance on identifying priority targets for preferential credits in 1993, Abalkin said. The Central Bank, for its part, according to its chairman, Viktor Gerashchenko, is willing to introduce stricter requirements regarding commercial banks in order to boost their investment activity, tighten controls over the inflow of rubles from the other CIS republics, and accelerate the clearing of payments.

Concluding the meeting, its participants adopted a resolution calling on the government to draw up a more detailed version of the anticrisis measures that are designed to stabilize the economy at minimum social costs.

Land Reform Program Envisages Various Forms of Ownership

LD2502134893 Moscow ITAR-TASS in English 1229 GMT 25 Feb 93

[By ITAR-TASS]

[Text] Moscow February 25 TASS—The development of the agro-industrial sector on the basis of various forms of ownership of land and other means of production, including private ownership, is provided for by a reform and development programme for 1993-1995 and for the period ending in the year 2000.

The programme, which has been prepared by the Federal Centre for Land and Agro-Industrial Reforms together with the Russian Ministry of Agriculture and Food, also counts on entrepreneurship and the creation of conditions for drawing foreign investments in the agrarian sector, Russian Federation Minister Vitaliy Yermolenko, director of the centre, said in an interview published in the newspaper SELSKAYA ZHIZN (RURAL LIFE) on Thursday.

All previous reform efforts, he said, were superficial and did not affect the basis of the agrarian system—the state monopoly character of agriculture. The countryside should now "be given a free hand", Yermolenko maintains.

The meaning and goal of a land reform is in resolving three problems: to ensure sufficient production of food at affordable prices, to create normal working and living conditions in the countryside and enable producers to manage the fruits of their labour, Yermolenko said. "The reform and development programme is a component, and I would say the major one, of anti-crisis measures aimed at stabilising the Russian economy," the minister emphasised.

The implementation of the programme will take more than 5,000,000 million roubles but "one can really count only on 2,000 million roubles", he said. It will take two to three years to check the production decline in farming and ten years in animal husbandry, the minister believes.

Analysing the situation in the agrarian sector and the causes of the downturn in the production of food, the minister noted that for decades the countryside, while accounting for one-third of national income, could get for its needs only 15-17 per cent of capital invested in the development of the national economy.

The provision of farm machinery per rural worker in Russia is lower than in the United States and European countries by a factor of 7-11 and one-third of farm produce gets ruined in the processing sectors due to the poor material and technical basis and the imperfection of basic equipment.

Political Faction Forms, Opposes Referendum

LD2602062393 Moscow ITAR-TASS in English
1838 GMT 25 Feb 93

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow February 25 TASS—"Chances of implementing the idea of constitutional accord are being narrowed, but the accord is needed," said Vladimir Lysenko, member of the Republican Party addressing a news conference held here on Thursday [25 February].

During the news conference leaders of the Russian Republican Party, "Accord in the Name of Progress" and "Entrepreneurial Political Initiative" factions have proclaimed their intention to fill a vacant niche "in the right-wing centre" of political movements.

Lysenko voiced concern over the worsening situation in society, saying that Accord in the Name of Progress faction believes it is inexpedient to hold a referendum. As for the Constitution, members of the faction believe "it is possible to live with the existing Constitution until new elections".

Lysenko voiced apprehension that an extraordinary Congress of Russian People's Deputies would "push the president to take unconstitutional actions. There are forces prepared to provoke such actions," Lysenko said.

Participants in the news conference came out against pre-term elections of power bodies since this would impede the implementation of economic reforms without which the country cannot come out of the crisis. They voiced opinion that serious attention should be paid to a new threat posed by the movement of different extremist forces "to join on the ground of the establishment of totalitarian rule."

Government Apparatus To Remain Independent

MK2502142193 Moscow KOMMERSANT-DAILY in Russian 24 Feb 93 p 3

[Veronika Kutsyllo report: "Government Apparatus To Remain Independent"]

[Text] An important stage of bureaucratic infighting in the upper echelons of power has come to an end. Yesterday the final version of the presidential edict "On improving the system for supporting the operation of federal executive authorities" was released for internal distribution. Compared with the previous version of the document, which gave the presidential administration the right to coordinate the activity of the Council of Ministers apparatus, the edict has been substantially modified.

KOMMERSANT-DAILY reported on 9 February that the original version of the edict "On improving the

system for supporting the operation of federative executive authorities" provided that the presidential administration would be given the right to coordinate the operation of the government apparatus. The version had been drawn up by the new administration leadership headed by Sergey Filatov. According to observers, those who drafted the edict had been assured that the president would accept it. The earlier draft edict, put up as a trial balloon and calling for presidential representatives to report to specially created presidential administration administration for work with the territories, presidential representatives, and relations with the Russian Supreme Soviet, had raised no objections from Yeltsin.

The presidential administration leaders' expectations were only partially fulfilled. Yeltsin signed the first version of the edict on improving the operation of the executive branch, but the document never left his office. KOMMERSANT-DAILY experts believe that it was not made public because it gave the administration the right to coordinate the operation of the government apparatus. This was opposed by Vladimir Kvasov, the new leader of the government apparatus. Kvasov's main trump card in that struggle was the law "On the Government—the Council of Ministers—of the Russian Federation," which enshrines the autonomy of the government apparatus. Apparently, it was Yeltsin's reluctance to openly break the law that finally decided the argument. The president instructed Sergey Filatov that the edict, which had already been signed, should be revised. It was his new version that was released yesterday.

Under the latest edict the Council of Ministers apparatus will remain an independent structure, and its chief, Vladimir Kvasov, will not be Filatov's deputy "ex officio." In addition, there were changes affecting the proposed division of the Presidential administration's Main Social and Production Administration into two independent administrations—finance and equipment. Its chief, Fedor Morshchakov, had objected.

KOMMERSANT-DAILY observers believe that the government departmental leadership's victory has not only bureaucratic but also political importance. Ruslan Khasbulatov has recently made repeated statements aimed at separating the Council of Ministers from the presidential structures as if counting Viktor Chernomyrdin among his supporters. KOMMERSANT-DAILY experts learned from informed sources that the prime minister himself had taken practically no part in the bureaucratic intrigues. However, according to some indirect evidence, there is a sufficiently complete understanding between his chief of apparatus and the speaker. Thus Yeltsin, on the eve of the referendum, has most likely lost control over an important structure located in the heart of the executive branch, whereas Khasbulatov appears to have gained it.

Inconsistencies Seen in Yeltsin's Constitutional Agreement

PM2502141593 Moscow ROSSIYSKAYA GAZETA in Russian 23 Feb 93 First Edition pp 1,2

[Aleksey Vorobyev "Commentary": "A Question for Deputies and... Schoolchildren"]

[Text] The draft agreement on the stabilization of the constitutional system for period prior to the adoption of the new Russian Federation Constitution prepared by the president and distributed to parliamentarians Thursday was marked "not for the press." That same day Boris Yeltsin went on television to publicize this text in person. Let us take a look at it and try to assess it.

Admittedly, the immediate impression is strange.

The president promises not to interfere with the prerogatives of the legislature, to promptly inform parliament about measures to ensure state and public security, to create the conditions for the effective work of the Council of Ministers, to ensure the protection of Russia's territorial integrity and the protection of Russians themselves outside the Russian Federation. That is, the head of the executive is taking upon himself precisely that which he ought to do anyway in view of the present Basic Law.

In actual fact, no one has relieved the president of those responsibilities. Or of the oath to observe the country's constitution. In that case why does the agreement contain a point which guarantees: "...the strict correspondence of the president's edicts and directives... to the Constitution of the Russian Federation"? If the constitution is in operation, what is the point of such lists? If it is only operational in the part outlined by the aforementioned [as published] nine points of the president's obligations, then forgive me but this is already a completely new Basic Law.

The authors of the draft are not proposing any fundamentally new obligations for the Supreme Soviet except the following: "Guided... by the principle of the separation of powers part 2 of article 104 and point 26 of article 109 of the Russian Federation Constitution shall cease to apply from the moment this agreement is signed."

The president is clearly being hindered by the note in article 104 that the Congress of People's Deputies is empowered to adopt for examination and resolve any question which comes under the jurisdiction of the Russian Federation. But if that note is removed it immediately becomes necessary to stipulate the range of the Congress' powers again. Then the authors of the draft will have to specify in detail which problems they do not entrust to the Congress to examine and in accordance with that logic assume the responsibility for resolving them themselves.

But that is nothing other than a clear violation of the balance of powers and this draft repeatedly says that the president and parliament should guarantee that this

balance is observed. In conditions of global crisis this balance is so unstable and mobile that surely no self-respecting specialist would try to describe it in detail. It is only when analyzing the specific results of the actions of this or that authority that one can say whether the existing equilibrium and thus the proposed constitutional agreement has been upset. Even then the conclusions will be far from unambiguous.

But the penalty for violating this agreement containing such abstract commitments is severe and specific: the dismissal of the president or the Supreme Soviet. The plan of the authors of the draft is that the Constitutional Court will examine these abstractions and produce a decisive ruling for the country. Is the burden of responsibility which will then rest on the shoulders of just a few people, albeit even highly respected and qualified lawyers, not too great?

In section three of the agreement it is proposed that the Supreme Soviet abolish the Russian Federal Property Fund, transfer federal extrabudgetary funds to the system of executive power, and agree to the subordination to the government of the Central Bank, the Bank for Foreign Economic Activity, the Foreign Trade Bank of Russia, the State Committee for Statistics, and the Pension Fund, which in this version will remain accountable to parliament alone.

When matters are being sorted out in a civilized society it is customary to demand major concessions only from the side which has already lost or is known to be the weakest. But in this case the dispute, that is the referendum, has still not taken place. Is the president not overestimating his popularity among the people and his chances of victory?

A definitive clarification of the intentions of the authors of the draft is provided by the final phrase in the text which says that in the event of parliament's dismissal, the procedure and date for the election of a new Supreme Soviet are determined by the president.

Thus the country remains effectively without a constitution. And without a representative power. Under the one-man leadership of Boris Yeltsin. The question for the schoolchild is this—what is this form of rule usually called in the rest of the world?

Roundtable Member Dismisses Government's 'Ideological Plan'

MK2502150793 Moscow NEZAVISIMAYA GAZETA in Russian 25 Feb 93 p 2

[Report by Yevgeniy Krasnikov: "Roundtable Discusses Reform"]

[Text] Another session of the roundtable of various Russian public, political, business, and scientific organizations was held in the parliamentary center on 24 February. This time the topic of discussion was the economic reform that is being conducted in the country.

Despite the fact that representatives of the Democratic Russia movement boycotted the session the meeting was pretty representative: [Russian Deputy Premiers] Georgiy Khizha and Boris Fedorov; Vladimir Ispravnikov, chairman of the Higher Economic Council; Yevgeniy Saburov, head of the Information and Social Technology Center; Central Bank Chairman Viktor Gerashchenko, Academicians Leonid Abalkin and Oleg Bogomolov, and representatives of many political parties and movements.

The government's official viewpoint was presented at the forum by vice premier Boris Fedorov. In his view, the Russian economy's main ills stem from state support for loss-making enterprises. According to Fedorov, the government will make no compromises, but it is prepared to listen to and discuss any reasonable proposals.

"We came to the roundtable to reach an agreement. But an essential condition of any agreement is mutual confidence among its potential participants," Civic Union expert Iosif Diskin told your NEZAVISIMAYA GAZETA correspondent. "But when you look at the government program, it is difficult to feel confident about the government's intentions. Whereas the anti-inflation measures are elaborated in specific detail, the intention is to conduct the battle against falling production at the level of slogans."

According to Diskin, the government's proposals are not an economic reform program but an "ideological plan which will provide a social base for a new regime."

Military Issues

Grachev Views Changing Geopolitical Situation

LD2502210293 Moscow *ITAR-TASS World Service in Russian* 1955 GMT 25 Feb 93

[By ITAR-TASS special correspondent Andrey Naryshkin]

[Text] Rostov-on-Don, 25 Feb—The transformation of the North Caucasus Military District (NCMD) from a rear to a first strategic echelon must be completed in principle by 1995. This is dictated by changes in the geopolitical and geostrategic situation, and ensuring Russian security interests in the southern sector, stated Russian Defense Minister Pavel Grachev, who arrived today at the NCMD headquarters located in Rostov-on-Don.

Grachev plans to study the state of combat readiness, weapons and equipment, and mobilization readiness of the NCMD. Grachev's main task, however, is resolving the complex problems connected with the redeployment and billeting in the [military] district of formations of units of Russian troops that are being withdrawn from Germany, the Baltic region, and the Transcaucasus. The following figures testify to the scale of this: In the current year in the district they expect the arrival of more than

21,000 servicemen, including more than 6,700 officers and warrant officers. These questions were discussed today at a meeting between Grachev and the command of the military district, also with heads of administrations from Stavropol kray: Yevgeniy Kuznetsov, and Rostov oblast: Vladimir Chub.

The issue of the Cossacks was not short of attention either. Grachev believes that Cossack formations could successfully resolve—in individual regions—questions of the protection of Russia's state border. However, he fully excluded the possibility of their dual subordination—both to the military department and to Cossack atamans.

Leadership of these sub-units, which will be acting within the composition of units and formations of Russian troops, must be carried out only by the Ministry of Defense, stressed Grachev.

Tomorrow morning Russia's Defense Minister plans to fly out to Krasnodar.

Stresses Importance of North Caucasus

OW2502193493 Moscow *INTERFAX in English* 1915 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] Russian Defense Minister Pavel Grachev did not rule out the possibility that local conflicts might erupt along the country's southern borders. Therefore, the North Caucasus Military District remains a priority for Russia, he stressed at a meeting in Rostov Thursday [25 February] with the district's commander and heads of the administrations of the Stavropol Territory and the Rostov Region.

Regarding the issue of Cossacks, the defense minister said Cossack troops should not be dually subordinate to the military command and the Cossack chieftains. Cossack units must take a Russian oath and be subordinate to the military command. Grachev feels that Cossacks should be more actively used to protect Russia's borders.

On Friday the Russian defense minister will visit Novorossiysk and Krasnodar.

Defense Ministry Holds First Conference on Troops

LD2602040393 Moscow *Teleradiokompaniya Ostankino Television First Program Network in Russian* 1800 GMT 25 Feb 93

[From the "Novosti" newscast]

[Text] For the first time since the Russian Army was set up, a conference on work with personnel was held at the Defense Ministry in Moscow today.

[Correspondent Aleksandr Ilyin] The reduction in the numerical force becomes one of the most difficult and

painful processes during the reformation of the Armed Forces. By 1995, it will concern the fate of almost every third serviceman, many of whom, because of their young age, could have formed the core of the new Russian Army.

[Begin Ye. Vysotskiy recording, head of main directorate for training and placement of personnel] Mainly young officers leave the Armed Forces. This year we practically fired about 35,000 officers, aged between 23-30 years old. In total about 200,000 people are to go. [end recording]

[Begin V. Mironov recording, Russian Federation deputy defense minister] An inter-departmental commission has been set up at present which deals with social protection of servicemen and members of their families. [end recording]

[Ilyin] The migration of officers has become yet another problem, and only last year 30,000 of them left to perform service in armies of other sovereign states. The laws on the status of servicemen and pension provisions that have been adopted recently should bring some stability among the military.

Other Issues

Public Opinion Leaders Dissatisfied With Yeltsin

MK2502112893 Moscow NEZAVISIMAYA GAZETA in Russian 25 Feb 93 p 2

[Report on NEZAVISIMAYA GAZETA-VP opinion poll by Aleksandr Kinsburgskiy and Viktor Rodionov: "Yeltsin's Chief Successes and Failures. Results of January Poll of Leaders of Public Opinion"]

[Text] If one were to describe in general terms the poll participants' view of B. Yeltsin's activities of late, then most would give his work as president of Russia, to use school language, a "sound three" (2.86) out of five. Despite the wide variety of marks (2 percent fives and 10 percent ones, 21 percent fours and 18 percent twos), the score one meets most often is three (45 percent). The harshest judges were the politicians: leaders of communist-oriented parties (average mark 2.21), leaders of parties of other orientations (2.28), and people's deputies (2.33). Entrepreneurs (3.34) and leaders of organs of executive authority (3.21) were more "liberal" than the others in their appraisal of the activities of the head of state.

The generally speaking indifferent score is obviously due to the fact that most leaders do not see any major ups and downs in his policy. According to one-third of those polled, B. Yeltsin's chief success is that by the start of the year he managed to find a compromise (albeit "temporary," "fragile," "relative") between the federal organs of legislative and executive authority. The top military people (46 percent) and representatives of ministries and

departments (38 percent) were the ones who approved most of (and, probably, expect of the president) the policy of agreements.

Nearly one-third of leaders of the media (32 percent) and of the noncommunist parties (28 percent) described the retention of key figures of the "reform team" in the government as the president's main success. For 26 percent of entrepreneurs, B. Yeltsin's main success was the signing of the START II treaty. Evidently, business people are interested in good relations between Russia and the West, and in this case the treaty acts as a guarantee of them.

More than one-third of people's deputies (38 percent) and communist leaders (36 percent) believe that the head of the Russian state has had no successes at all, and 34 percent of directors of state enterprises were hard put to reply when asked the question "What steps by B. Yeltsin do you think were the most successful?"

The president's chief failure, in the opinion of one-third of those polled, is the fact that he proposed that the problem of the relationship between the legislative and executive authorities be put to a referendum. He gets most criticism over this from representatives of the legislative (48 percent) and executive (42 percent) authorities, and particularly strong criticism from leaders of communist-oriented parties (60 percent). In the opinion of 40 percent of entrepreneurs and 38 percent of leaders of the press, B. Yeltsin's main mistake was to dismiss Ye. Gaydar from the post of acting prime minister.

As far as one can tell, the leaders of public opinion are pretty unequivocal about the problem of relations among the top echelons of state power. They are basically positive about the president's steps to reach a compromise with the legislative organs and negative about his actions in exacerbating the constitutional crisis. In most cases the poll participants are equally unequivocal in their view of Ye. Gaydar's "reform team," approving of the president's efforts to keep its key figures in the government and condemning him for dismissing the former prime minister himself.

At the same time, initiatives by the head of state such as deciding to hold an April referendum, proposing V. Chernomyrdin for the post of government head, and signing the START II treaty provoke a contradictory reaction on the part of members of the Russian elite: One section sees them as undoubted successes, the other as obvious failures of B. Yeltsin's policy.

The survey was carried out by conducting telephone interviews with the leaders of public opinion, split into eight basic groups: people's deputies/members of the Russian Supreme Soviet, representatives of the Russian Federation executive authorities, leaders of parties of communist and other orientations, leaders of state enterprises and nonstate business (private, joint-stock), joint enterprises and commercial banks, representatives of the supreme military command, leaders of the media, and

scientific and cultural figures. In all, 400 people were polled. This poll will be conducted monthly in 1993.

Muscovites Polled on Trust in Authorities

PM2502123393 Moscow IZVESTIYA in Russian
24 Feb 93 p 4

[Report by Nuzgar Betaneli, director of the Institute of the Sociology of Parliamentarianism: "If Referendum Were To Be Held Tomorrow..."]

[Text] The independent Institute of the Sociology of Parliamentarianism held a routine weekly poll of 1,000 Muscovites 18 February. Here is what a comparative analysis showed:

With every passing day there are fewer potential participants in the referendum. Thus, the number of Muscovites proposing to take part in the referendum declined from 54 percent in January to 37 percent 18 February and, conversely, the number of those who do not intend to take part has increased from 30 percent in January to 46 percent 18 February.

But how will voters' votes be distributed if there actually is a referendum? Recently R. Khasbulatov suggested his version of the questions for an all-Russian referendum. Here is how Moscow voters replied to the question along which the "frontier" of political confrontation obviously passes today: (in percentages of the number of people polled:

Do you trust	Do Trust	Don't Trust	Hard to say
Russian president	37	32	31
Congress of People's Deputies	10	66	24
Russian Supreme Soviet	12	56	32
Russian Government	25	33	42

For a more or less accurate forecast of the possible results of a referendum it is important to remember that many events in political life take place under the influence of and with the participation of the most active citizens. Sociopsychological observations and research show that 10-12 percent of the active minority can influence the positions and political behavior of the majority of voters and ultimately predetermine success or defeat. A comparative analysis shows that in contrast to "ordinary" voters the majority of politically active Muscovites (56 percent) intend to take part in the referendum. What are their positions?

The present polarization in society is obvious: Some people suggest strengthening the president's power in Russia, others, conversely, suggest strengthening the power of the soviets. The poll showed that a relative

majority of politically active citizens (52 percent) and "ordinary" voters (36 percent) believe that "in Russia it is necessary to strengthen the president's power" and only a minority (8-10 percent in both cases) are supporters of strengthening the power of the soviets. The remainder either suggest "leaving everything the way it was before" or that "it does not bother them" (10 percent) or that they "find it hard to say."

However, it should be considered that power in Russia is ceasing to be identified with people. Today the fate of the institutions of power in Russia depends not so much on the personal popularity of leaders as on the voters' increasingly strengthening orientation toward a strong executive power. For instance, B. Yeltsin's personal rating has changed: The number of Muscovites who treat his activity positively or with positive interest has declined from 35 percent in January to 30 percent 18 February. Some 44 percent are cautious or negative. The number of Muscovites who believe in the success of B. Yeltsin's policy has declined to 20 percent. But 37 percent of Muscovites trust the president while 38 percent consider it essential to strengthen the president's power!

It seems that the drama the Supreme Soviet and particularly the congress of Russian people's deputies is experiencing also lies in precisely this fact: It is not so much a case of the personal composition of the deputies' corps as, obviously, the marked disillusionment of voters regarding the effectiveness of institutions of representative democracy in Russia: Some 66 percent of Muscovites do not trust the congress of people's deputies and 56 percent do not trust the Supreme Soviet but only a minority (no more than 30 percent in all) is "for" their early re-election.

Many people are worried by the problem of the perfection of power in Russia. Some suggest holding early elections of the Russian president and deputies for this purpose, while others are opposed to this. What do you personally think is best? (in percentages of number of those polled?)

Holding early election of deputies and president	16
Holding early election only of president	5
Holding early election only of deputies	14
Not holding any early elections	38
Other	4
Hard to say	23

So the way out does not lie simply in the renewal (re-election) of the deputies' corps but in the search for a new role for Russia's legislative organs according with the people's expectations.

Supreme Soviet

Parliamentarians To Consider Extraordinary Congress

LD2502142393 Moscow ITAR-TASS World Service in Russian 1227 GMT 25 Feb 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow, 25 Feb—Next Thursday [4 March], the Russian Federation Supreme Soviet will examine the matter of convening an extraordinary Congress of People's Deputies. The deputies voted in favor of this decision at a joint session today.

It was adopted by parliament after quite a prolonged debate that was opened by Deputy Igor Muravyev, who recalled that Boris Yeltsin had submitted the draft of a constitutional agreement to the Supreme Soviet and that this should be discussed. Deputies Yevgeniy Ambartsumov and Lev Ponomarev voiced astonishment that the issue of examining the president's document in parliament had not been included on the agenda of today's session.

Supreme Soviet Chairman Ruslan Khasbulatov recalled that a working group had been set up to work on the constitutional agreement. The parliamentary section of the group is headed by deputy speaker Nikolay Ryabov. Ruslan Khasbulatov did not clarify whether the parliament is preparing its own version of a constitutional agreement. He merely reiterated that in the country "there is a powerful movement aimed at convening a Congress of People's Deputies and adopting a decision not to hold the referendum" which, as we know, has been set for 11 April.

Having noted that it is wrong "not to trust the people," the chairman of the Supreme Soviet voiced the idea that the rejection of the referendum could be fully compensated for by holding simultaneous presidential and parliamentary elections. "In this way, we would deflect any suspicions that we are clinging on to power," Ruslan Khasbulatov stressed. In his view, this decision could become the subject of a constitutional agreement. "This would be within the bounds of the Constitution," he added.

According to Ruslan Khasbulatov, the provision on the status of the federal government could be another matter for a constitutional agreement. "The crisis of power lies in the complete ineffectiveness of executive power as a result of the fact that the government does not have sufficient powers," the parliament speaker noted. He stated that proposals on the referendum have still not been received from the president, although the Supreme Soviet has put forward 12 questions, one of which is a proposal to hold early elections for president and parliamentary deputies in 1994.

Congress of People's Deputies Set for 9-10 Mar

LD2502205593 Moscow Russian Television Network in Russian 2000 GMT 25 Feb 93

[From the "Vesti" newscast]

[Excerpt] The president has sent the Russian Supreme Soviet a draft agreement on federal bodies of legislative and executive power to stabilize the constitutional order.

[Begin report by correspondent L. Ioffe] The draft is aimed at achieving a balance of powers—the Constitutional Court should be performing the role of arbiter—and at switching their concerted efforts to tackling economic problems. It should be discussed in parliament on 4 March. The Congress of People's Deputies has been set for 9-10 March. [passage omitted]

Khasbulatov Holds 'Strategy Conference' on Constitution

MK2502150393 Moscow NEZAVISIMAYA GAZETA in Russian 25 Feb 93 p 1

[R.I. report: "Khasbulatov 'Strategy Conference'"]

[Text] At today's Supreme Soviet session the first item on the agenda is the question of stabilizing the constitutional system in Russia. The plan is that the deputies will approve (or, rather, not approve) the personnel of the parliamentary part of the commission to devise the Constitutional Agreement and will also decide when to hold an extraordinary congress and what to discuss at it. Yesterday Ruslan Khasbulatov spent the entire morning holding a "strategy conference" with a small group of his deputies, chairmen of chambers, presidium secretaries, and some others. No details are forthcoming. It can be assumed that they agreed on tactics for today's session and decided what should be put to the future congress as its draft agenda. We do know that the opposition wants to revoke the 12 December agreement, censure prime minister Chernomyrdin, and elect the two missing members of the Constitutional Court. The president's wording of the referendum question and his proposals for people's deputies for the Eighth Congress are expected to be published today.

Khasbulatov Receives Former German Minister Genscher

OW2502171093 Moscow INTERFAX in English 1626 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] On Thursday [25 February], speaker of Russian parliament Ruslan Khasbulatov declared that Russian international mass media is exaggerating the political situation in Russia. He had a meeting with Germany's former Foreign Minister, Hans Dietrich Genscher.

According to Khasbulatov, despite "the roughness in relations between the representative and executive

powers in Russia and in relations between the center and the regions, there is neither hopelessness nor a revolutionary situation in the country." He believes that the economic crisis can be surmounted if there is political stability and appropriate legislative acts are adopted "for profitable foreign investments in the Russian economy."

In Khasbulatov's words, Russia's parliament has prepared amendments to the decree of the Russian Federation "On foreign investments" which should give a new stimulus to the activity of foreign investors on Russia's territory.

In his turn Genscher expressed the opinion that at present "Russia needs more calm and common sense in relations between parliament and the government." He expressed the hope that Russia will manage to overcome the crisis in the political and economic spheres and will become "a part of European economic space."

Genscher Comments

LD2502164493 Moscow ITAR-TASS in English
1355 GMT 25 Feb 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow February 25 TASS—Germany is interested in Russia successfully coping with the difficulties it is now facing, Hans Dietrich Genscher told Russian parliament chairman Ruslan Khasbulatov during their meeting in Moscow today. The former minister of foreign affairs of the Federal Republic of Germany stressed that his country would like to see Russia as a stable prospering country.

Genscher said his visit to the Russian capital, where he was awarded a honorary degree at the Institute of International Relations, symbolized a good level of relations between the two countries. He wished Russia "greater calm and confidence in its own strength" in this hard time for the country. Touching on the conflict between president and parliament in Russia, Genscher noted that "this happens in all civilized countries".

Khasbulatov said the viewpoint on the Russian president and government as ideal ones and the parliament as a reactionary force, propagated by the media, including in other countries, "bursts like a soap bubble". The parliament chairman stressed that Russia attaches great importance to cooperation with Federal Germany, and pointed out that a variety of relations is becoming dynamic also at the level of Russian regions and German states.

Along with this, the parliament chairman stressed that the world economy as it is cannot pull Russia out of the crisis. "We must do it ourselves," he said. "We have many complex problems, but political disintegration does not evoke a sense of despondency," Khasbulatov said. Khasbulatov told Genscher about the essence of new laws being passed by the parliament and noted that

the foreign political sphere is the most vulnerable spot in the parliament's law-making activity at present. Russia "does not yet have a foreign political doctrine—it has yet to take shape," Khasbulatov said.

Khasbulatov Receives Bulgarian Parliamentarians

LD2502171293 Moscow ITAR-TASS in English
1415 GMT 25 Feb 93

[By ITAR-TASS parliamentary correspondent Yuriy Filippov]

[Text] Moscow February 25 TASS—Russian parliament chairman Ruslan Khasbulatov told a delegation from the National Assembly of the People's Republic of Bulgaria that the age-long friendship between the peoples of Bulgaria and Russia, which has century-old roots, cannot be shaken by any political changes.

Speaking during a meeting in the Russian parliament building, Khasbulatov assured the Bulgarian delegation members that the Russian parliament would seek to further strengthen friendly relations with Bulgaria.

Aleksandr Yordanov, the chairman of the National Assembly of the People's Republic of Bulgaria, who is leading the delegation, noted that in the past attempts were made to use the fraternal feelings of the two nations to gain selfish ends. That tradition must be terminated. From now on, relations between the parliaments of the two countries must not be encumbered with ideological postulates, he said. "Together we can attain much and expand considerable the democratic space in Europe," Yordanov said.

Members Discuss Yugoslav Crisis

AU2502221693 Sofia BTA in English 2004 GMT
25 Feb 92

[Excerpts] Sofia, February 25 (BTA)—A Bulgarian parliamentary delegation led by National Assembly Chairman Aleksandur Yordanov arrived on an official visit to Moscow today and was received by the chairman of the Russian parliament, Mr. Ruslan Khasbulatov, the Khorizont Programme of the national radio reported today. [passage omitted]

Mr. Aleksandur Yordanov expressed the hope that Russia's more active involvement would contribute to stopping the war in the former Yugoslavia. We greatly appreciate the fact that Russia was the only great power to recognize Macedonia, which is the only way to localize the Yugoslav conflict, Mr. Yordanov said.

Mr. Ruslan Khasbulatov expressed his satisfaction that the Russian stand on the Yugoslav crisis is being received with growing understanding and that the stands of Russia's Parliament, Government and Foreign Ministry have come closer. As a member of the UN Security Council Russia will strive to pursue a policy of restoring ethnic peace, Mr. Khasbulatov stressed. [passage omitted]

Roundtable Examines Economic Measures

LD2402151193 Moscow Teleradiokompaniya
Ostankino Television First Program Network in
Russian 1200 GMT 24 Feb 93

[From the "Novosti" newscast]

[Text] Opening today's third sitting of the roundtable on settling the constitutional crisis, Yuriy Voronin, deputy chairman of the Russian Supreme Soviet, said that another 29 representatives from various parties, factions, and movements had joined the 87 discussion participants. Thus the deputy speaker stressed that representatives of all kinds of political forces could take part in the proceedings of the roundtable.

A report on the government's economic measures aimed at overcoming the crisis in the country was made by Boris Fedorov, a deputy head of the Russian Government. He listed financial stabilization, structural reorganization, and fighting inflation as the government's priorities.

[Begin recording] [Unidentified correspondent] For the first time for quite a while it is economic rather than political issues that are discussed. Do you see this as encouraging?

[V. Ispravnikov, chairman of the Supreme Economic Council] I do. I believe that all the problems should first of all be discussed on a professional level, and only then should one consider what they would look like on a political level. I believe that the chief problem at present is to work out on a professional economic level a kind of document of national accord on economic matters, i.e. measures aimed at economic solidarity, agreement on prices, on wages, and a number of other major problems that really do require national accord. Everything depends on the extent to which politicians, who are now trying to subvert any constructive proposals, will act sensibly in this situation. [end recording]

Foreign Affairs Committee Views Damage From UN Sanctions

PM2502112393 Moscow PRAVDA in Russian
24 Feb 93 p 1

[Unattributed report: "From Russian Federation Supreme Soviet Document"]

[Text] On 8 February this year the Russian Federation Supreme Soviet Committee for international affairs and foreign economic relations held closed parliamentary

hearings on the question of "economic and political consequences of the Russian Federation's association to international sanctions: Decisionmaking mechanism." Representatives of the Foreign Ministry, Ministry of Foreign Economic Relations, Main Intelligence Directorate, and General Staff took part in the hearings.

The comparison of secret materials submitted by departments and an analysis of questions during the session showed that the volumes of the economic damage inflicted on Russia by the hasty strategic decisions in the foreign policy sphere are substantially in excess of the figures made public at the seventh Congress by Vice President A.V. Rutskoy and other departments. The Russian Federation's association to the UN sanctions against Libya, Iraq, and Yugoslavia have led to the breaking of contracts and payments to a sum of over \$18 billion. This action has had serious consequences for the Russian economy.

The hearings' most important conclusion was the inference that strategic decisions on sanctions were taken at the initiative of the Russian Federation Foreign Ministry and approved by the president without any consultations or liaison with other departments and without any analysis of the possible political-strategic and economic consequences.

The claims constantly issued by the Russian Federation Foreign Ministry including Foreign Minister A.V. Kozyrev that Russia has not incurred any losses from association to the sanctions make it impossible to raise the question of full or partial compensation for economic losses through the existing UN system.

In connection with the above it is essential to raise the question of A.V. Kozyrev's personal responsibility for inflicting serious damage to Russia's national-state interests.

Lawmakers To Examine Affairs at Ostankino

LD2502233093 Moscow Radio Moscow World Service
in English 1600 GMT 25 Feb 93

[Text] The Russian Parliament has decided to form a special body of lawmakers to examine the state of affairs in the government-run television and radio broadcasting company Ostankino. One reason for this is that some lawmakers believe that television is censored by presidential and governmental structures. Russian Parliament Speaker Ruslan Khasbulatov suggested that the leaders of federal electronic news media should be nominated by the government and approved by Parliament.

International Affairs

Kuchma Warns of 'Economic War,' 'Political Blockade'

LD2602112093 Moscow Mayak Radio Network in Russian 0600 GMT 26 Feb 93

[Text] Ukrainian Prime Minister Leonid Kuchma confirmed that he intends to fly to Moscow for talks on the supply of Russian gas to Ukraine. He said in an interview with an IMA-PRESS correspondent that he is ready to meet the head of the Russian Cabinet of Ministers Viktor Chernomyrdin and to discuss with him the prices for oil and gas, as well as the foreign debt issue. The leader of the Ukrainian Government hopes to meet President Boris Yeltsin, since the situation of Ukrainian-Russian contacts, in his view, has reached a critical point.

Commenting on the change to trade at world prices within the former USSR, the Ukrainian prime minister pointed out that this could only lead to an economic war and a political blockade. The person who invented the change, Kuchma said, did that to continue to disrupt ties. Kuchma thinks that, in reality, the value of the dollar is not 600-700 rubles; it is 2 to 3 rubles for the dollar.

Kravchuk on Need for Continued Delivery of Russian Fuel

LD2602010693 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 25 Feb 93

[Excerpts] President Leonid Kravchuk of Ukraine met with rayon representatives at the key personnel further training center of the Institute of State Management and Self-Government on 25 February. [passage omitted]

[Unidentified correspondent] Leonid Kravchuk answered numerous questions of the meeting's participants.

Answering the question on the need for accords between the presidents of Ukraine and Russia on steady deliveries of Russian oil and gas, Leonid Kravchuk in particular stressed:

[Begin Kravchuk recording] As for the issue of oil, we deal with this very topical issue every day. I would like to stress that speaking for myself, and taking into consideration its extreme importance for our Ukrainian state, since it is intertwined with the issue of our state's national security, I have to deal with this issue every day, which is normal in this situation. Every day. [passage omitted]

Another matter is that relations have to be normal. We have to pay for gas and oil, because no one will give this to us free of charge.

So the first thing is to remove this issue, because there is all kind of talk going on around this about them cutting it off, about us freezing to death and so on.

Nothing of the sort. I have been definitely informed that all these issues will be settled tomorrow. Money will have to be found, and payment will have to be made.

Another matter is how much to pay and how much of this oil or gas we can take. Here agreement has to be reached, coordinated to be mutually beneficial and accepted worldwide, because there simply is nothing else to be done.

I would not like to forestall the situation now, as it were, and talk about how we will reach agreement, but we have to reach agreement.

The issue of the volume of energy sources to be received from Russia, that of prices, and that of debts and mutual payments are to be examined all in one package. These are the three main issues I asked Viktor Stepanovich Chernomyrdin to discuss with our prime minister, bearing in mind that we are neighboring states, we have to be friends, and we have to live in peace.

But we also have to build relations, not the way we used to build them, with someone giving something to somebody. This is now another system and another structure.

We have to do buying, and we have to do selling. [passage omitted]

Russia will be able to sell as much as it can, but we also have to seek other sources.

I am dealing with this now. I am dealing with issues of sources of oil and gas, first of all oil, issues of the tanker fleet, and issues in connection with oil deliveries to terminals and the construction of terminals. That is to say, we have to proceed from the real and objective situation.

That is why I would like you to know that this is one of the most important issues of the work of both the president and the government today. One of the most important issues. [end recording]

Deliveries To Be Negotiated

OW2502171693 Moscow INTERFAX in English
1626 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] On February 25 Russian gas will be pumped into Ukraine as usual, Interfax was told in the Central Control Board (CDB) of the Russian state-owned Gasprom concern.

Yuriy Nasedkin, head of the Fuel and Gas Department of the Ukrainian Ministry Energy, said that the reports in the Ukrainian press on drastic reduction of gas supplies from Russia as of the February 24 night are not

true. On that day, Nasedkin said, Ukraine had one million cubic meters more than the scheduled amount.

According to deputy head of the Gazprom's CDB Gennadiy Kremenskov, gas deliveries will be negotiated in Moscow by government delegations. The negotiations will start on Friday [26 February] following a week-long tour of Central Asia by Leonid Kuchma, Ukrainian premier. "What Gazprom does will depend on the negotiations," Kremenskov said.

On February 19 Gazprom warned the Ukrainian government that gas deliveries will cease starting with February 25 because Ukraine owed the Russian supplier 165 billion rubles.

Gennadiy Kremenskov noted that "official negotiations on gas deliveries have not started." However, it became known to Interfax that Russia's Fuel and Energy Minister Yuriy Shafraanik had a meeting with Yuliy Ioffe, Ukrainian vice-premier, in Moscow on Wednesday. Three days before Kuchma's Moscow visit Ukraine announced that the Ukrgazprom concern, engaged in gas production and transportation within Ukraine, had paid the Russian gas concern 27.8 billion rubles to repay its January debt and 3.4 billion to repay its December debt. Gasprom officials told Interfax, however, that the concern "does not have an official confirmation of this."

Now 93 percent of Russia's pipelines which deliver gas into Europe run across Ukraine. The average pipeline length is 1190 km. Transit across Ukraine has increased from 81.6 billion cubic meters in 1987 to 104 billion in 1992. Last year Russia supplied 69 billion cubic meters into Ukraine; in 1993 a similar amount is expected to be delivered.

Russia Continues Gas Supplies

LD2502185793 Moscow ITAR-TASS in English
1814 GMT 25 Feb 93

[By UKRINFORM correspondent Irina Ivanova for TASS]

[Text] Kiev February 25 TASS—"Russian gas is still being supplied to Ukraine," said Vladimir Maksimov, chairman of "Ukrgazprom" board in an interview with UKRINFORM news agency on Thursday [25 February]. In his opinion there are no reasons for the disruption of gas supplies. He said that last November Ukraine had paid the cost of gas supplied to Ukrainian consumers in January.

According to Maksimov, 27.3 billion roubles have been remitted to the Russian Gasprom to pay for February supplies. "Contracts have been drawn up between our organisations on gas supplies to Ukraine, and the Russian side has not violated them so far," Maksimov said.

However, Ram Vyakhirev, acting chairman of the Gazprom concern, said that although he has a bank receipt confirming the remittance of 27 billion roubles by the

Ukrasgasprom concern, the money has not arrived to Gazprom. Financial experts of the concern are searching hard for the lost money.

Dispute To Be Settled in 'Near Future'

OW2502194893 Moscow INTERFAX in English
1916 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] The dispute between Russia and Ukraine on the prices of Russian gas will probably be settled in the near future at a meeting in Moscow between the countries' prime ministers, Viktor Chernomyrdin and Leonid Kuchma. In a discussion of the issue with an Interfax correspondent Thursday [25 February] a high-ranking official from the Ukrainian government was optimistic about the chances for success at the upcoming meeting.

The Ukrainian Embassy in Moscow expressed doubt that Kuchma would arrive in the Russian capital on February 26, as several media reports claimed. Ukrainian diplomats said the prime minister would probably fly to Moscow the morning of Sunday, February 28, and go directly to the meeting with Chernomyrdin.

They will discuss the demands from Russian suppliers, particularly the Gazprom concern, that Ukraine pay world prices for gas. Kiev responded to the demands by warning Moscow that they might raise the charges for the transit of Russian gas across Ukrainian territory on its way to Europe to \$3 per 1000 cubic meters per 100 km.

Minister Comments on Path to Non-Nuclear Status

LD2502155093 Kiev Radio Ukraine World Service in Ukrainian 2000 GMT 24 Feb 93

[Excerpts] Ukraine is Turning the West Against Russia—What is the Reality?—this is the title of an article that was published in the pages of ROBITNYCHA HAZETA. Our correspondent Olena Hrytsenko has prepared an account of this article: [passage omitted]

[Hrytsenko] The impression has formed abroad, both far and near—and thanks to the able propaganda of the Russian mass media—that Ukraine is a disobedient state and will not ratify the nuclear nonproliferation treaty and START I. Naturally, these fears are groundless. Our president expressed himself unambiguously on this at talks in Moscow. He said that Ukraine will carry out the obligations in question, but not everything depends on us.

In order to explain in more detail why we cannot deviate from our course of acquiring non-nuclear status, the newspaper refers to the words of Borys Tarasyuk, deputy minister of foreign affairs of Ukraine. Tarasyuk said that the reaction of other states in such a case would, without a doubt, be strongly negative. In fact, we are witnesses to such a reaction now. Incidentally, some of our partners are showing excessive impatience and taking very strong

steps. We have not and will not fail to respond, because this is about a normal, gradual process, Tarasyuk said, which clearly requires exceptional thought and responsibility.

UN Representative Holds Talks in Crimea

LD2602043793 Moscow ITAR-TASS in English
2126 GMT 25 Feb 93

[By UKRINFORM correspondent Lev Ryabchikov for TASS]

[Text] Simferopol February 26 TASS—Steven Brown, head of the United Nations representation in Ukraine, arrived in the Republic of Crimea on an official visit. In Simferopol he had meetings with a number of people's deputies of the Crimean Supreme Soviet, and also took interest in problems of interrelations between different national groups of the Crimea.

Steven Brown also had a meeting with representatives of the Crimean Tatar Majlis during which questions concerning the return of the Crimean Tatars to the land of their ancestors were discussed. The esteemed guest visited Yalta and Sevastopol.

Ivan Yermakov, a representative of the Ukrainian president, handed over a letter addressed to the U.N. secretary-general to Brown with a request for the provision of economic aid to the city.

During a meeting with Boris Kozhyn, commander-in-chief of the Ukrainian Navy, the head of the U.N. representation in Ukraine said that the situation in the Crimea is not an international problem, but it is important for an understanding of the processes which are taking place in Ukraine and its relations with the Russian Federation.

In March Steven Brown will submit a report to the U.N. secretary-general about impressions of his visit to the Republic of Crimea.

Russian Strategic Troops Officers Strike for Rights

AU2602084393 Kiev HOLOS UKRAYINY in Ukrainian
17 Feb 93 p 13

[Article by Mykola Volok, HOLOS UKRAYINY special correspondent in Kirovohrad Oblast: "Officers of a Neighboring State, Who Serve in Ukrainian Steppes, Went on Strike"]

[Text] It must be stated that the following also applies to warrant officers, in one of the military units stationed in Kirovohrad Oblast. Incidentally, these are not just military building contractors or motorized infantry, but people in charge of maintaining a military-strategic parity between nuclear states. An odd situation is taking shape. The strikers sent a letter to K. Morozov, Ukraine's minister of defense and to V. Martyrosyan,

head of the Committee for Social Protection of Servicemen—there was no response. They appealed to the Russian defense minister, to the "Shchit" [Shield] organization, and to the newspapers KRASNAYA ZVEZDA, KOMSOMOLSKAYA PRAVDA, and PRAVDA—the result was the same. What do the strikers want? "First, we have been denied citizenship, however paradoxical it may sound," reads the letter. "To all our questions regarding our citizenship we received vague replies or been told "You cannot have citizenship...."

The point is that the authors of the letter did not pledge allegiance to the people of Ukraine, whereas their subordinate soldiers and sergeants in the regular service did. An interesting situation has now taken shape—Russian officers and warrant officers are compelled to train and indoctrinate soldiers of a different state. We will, so far, leave the question "why" unanswered, and regarding "how," here is the question the soldiers are asking their seniors: "For whom are we serving here?" They apparently ask whether they are serving "Ukraine or Russia" on the territory of Kirovohrad Oblast. I quite understand how difficult it is for officers "to avoid answering the question."

The military unit in question is subordinated to one of the administrations of Russia's Ministry of Defense. As is known, "when in Rome do as the Romans do." Moreover, one should not advise the ministry of a neighboring state how to organize the service of its troops stationed on the territory of Ukraine. However, if one believes the authors of the letter, "the working day of officers and warrant officers here lasts between 60 and 70 hours a week despite the orders and directives of the Ministry of Defense of the Russian Federation on regulating the working day of officers and warrant officers. Absolutely unnecessary night shifts in subunits have been introduced on the pretext of strengthening military discipline."

The strikers are particularly concerned about monetary provision. The command is assuring them that the payment is in rubles, although in reality they are being paid coupons "without taking into account the official rate of exchange," as they assert. Knowing that the coupon is now much lighter than the ruble, one can easily assume that somebody lines his pockets nicely through this operation. It turned out after the New Year that officers and warrant officers of a unit that is so important even from an international point of view are unable to make both ends meet. The consumer basket costs more than 20,000 coupons, whereas they only receive between 12,000 and 15,000. The wives do not, as a rule, work anywhere.

"Officers and warrant officers are unsure of their future and do not know what is awaiting them in a day, or two, or a month. Soon, Ukraine will no longer need us," write the officers.

It also follows from the letter that one can hardly rely upon Russia. They are generally people without citizenship. In this situation, officers and warrant officers of the unspecified military unit are refusing to receive monetary provision, while still fulfilling their official duties. What will happen if they decide to stop fulfilling their duties?

"The boys have already been holding out for the second week," said Vyacheslav Ivanov, chairman of the Officers Union of Kirovohrad Oblast. "Civilians have also joined the strikers. However, there is no response. The commanders of the formation to which the unit is subordinated oppress the disobedient officers in every way, and according to the Officers Union, these commanders abuse their official position."

According to him, the Procurator's Office is already dealing with the abuses, and HOLOS UKRAYINY will soon be able to tell its readers about the doings of the commanders. It is now essential to make the voice of the strikers heard by defense ministries of the two neighboring states. It is a matter of strategic forces, and such deafness may prove painful.

National Affairs

Donbass Miners Stage 24-Hour Warning Strike

LD2602120393 Moscow Teleradiokompaniya
Ostankino Television First Program Network in
Russian 0900 GMT 26 Feb 93

[From the "Novosti" newscast]

[Text] We have already said that a warning strike by miners was due to start today in the Donbass, and we have just received news from our correspondent Genadiy Kondaurov that a 24-hour warning strike by miners has begun.

It was urged by both mining unions in the Ukraine: the independent union and the union of coal-industry workers. At the moment, 15 pits are at a complete standstill, as well as two concentrating plants and three pit-construction administrations. Other collectives intend to join them at the start of the second shift.

The strikers are demanding that the government unconditionally honor the agreement that has been signed on pay rates, which they think has been violated by the latest government decrees. The mining unions consider that the decisions adopted by the government on pay regulation are leading to the lowering of miners' actual earnings and their living standards as a whole. Even a one-day mass strike by miners may seriously worsen the situation in the iron and steel industry and other sectors of the Ukrainian economy.

Further on Strike

OW2602123293 Moscow INTERFAX in English
1128 GMT 26 Feb 93

[Following item transmitted via KYODO]

[Text] On Friday [26 February], 16 mines in the Lugansk and Donetsk regions went on a 24-hour warning strike on the initiative of the Independent Union of Ukrainian Miners, this union's chairman Aleksandr Mril informed INTERFAX.

He also said that the union of iron-ore miners in the Dnepropetrovsk region (Krivoy Rog) supported the coal-miners' demands and expressed readiness to join the strike if the demands are not fulfilled in three days time.

The miners threatened to go on an indefinite strike if the government does not heed their voice. They demand that coal-industry enterprises be given economic freedom, that limits on pensions and wages be lifted, and that the tariff agreements between the Independent Miners' Union and the government be implemented.

Morozov Orders Creation of Military Police

AU2502161993 Kiev URYADOVYY KURYER in
Ukrainian 23 Feb 93 p 3

[Statement by the Press Service of Ukraine's Ministry of Defense: "A Military Militia Is Being Created"]

[Text] An analysis of the state of discipline and law enforcement that was conducted within Ukraine's Armed Forces has proved that the existing system of combating violations of law in the Army is ineffective and out of date. Such a state of affairs gave rise to a serious concern on the part of the Ministry of Defense.

Ukraine's Minister of Defense Colonel General Konstyantin Morozov has ordered the creation of a working group that will be in charge of preparing a concept, draft legislative acts, and other documents for creating a military police in Ukraine's Armed Forces. Commanders of armed services, district troops, and formations will also take part in this work.

Commentator Sees Bleak Prospects for Republic's Economy

MK2502111293 Moscow MOSKOVSKIYE NOVOSTI
in Russian No 9, 28 Feb 93 p 15

[Oleg Vladimirov article: "Ukraine Has Much Money But No Goods"]

[Text] Ukrainian coal enterprises in 1992 produced almost 12 million tonnes of coal less than planned, with 150 coal mines failing to meet their production targets.

The programs for mining operations, capital construction, and social security were not fulfilled. Nonetheless, wages at a number of coal mines, including those that are not meeting their targets, are double the industry's

average wage level. Some mine managers at the end of 1992 were receiving salaries of 180,000-240,000 coupons/karbovanets a month—despite falling production, revenues, profitability, and technical safety levels. The level of work injuries in Ukraine's coal industry is the highest in the world. This is to a large extent due to the rupture of economic links with Russia, which has drastically cut supplies of mine supports.

This rupture has also affected the overall macroeconomic performance. Thus, according to the Ukrainian Statistics Ministry, the rate of industrial decline in 1992 was 9 percent (as against 4.8 percent in 1991), with consumer goods production falling by 10.9 percent, food production by 14.9 percent, meat 18 percent, eggs 19 percent, and milk 21 percent. GNP fell by 14 percent, and labor productivity by 15 percent.

The continuing issuance of new money has led to the virtual destruction of the substitute currency—the coupon/karbovanets. Within the space of just a year, the karbovanets has collapsed from the initially fixed rate of 10 karbovanets per \$1 to 1 karbovanets per 2.5 Russian cash rubles.

Nor does 1993 hold out any good prospects. While budget revenues are projected at 5 trillion karbovanets, budget expenditures are expected to exceed 8 trillion karbovanets. Neither of the two versions of the indicated 1993 plan provide for the requisite cost balance.

The Ukrainian Government intends to clamp down on the growth of consumption funds and prices, not only on the part of the producers but also the intermediaries, whose number in the producer-consumer chain can sometimes amount to five. A decree is pending that will officially lay down a regime for taxing intermediary-type operations. Starting with the second intermediary, the tax will amount to the entire difference in price.

An urgent anti-inflation package calls for the Ukraine National Bank to be put under the control of the government (which the former does not agree to).

Among the strategic directions is the solution of energy problems, energy-saving technology, and increased export production. The development of priority sectors will be based on state orders, a corresponding decree having been recently approved, along with another decree on state contracts.

A number of decrees are pending on creating a mechanism of cadre policy at the level of the Cabinet of Ministers, sectoral ministries, oblast, rayon, and city state administrations. Stress is thereby being laid on improving management of the public sector, which has been granted preferential tax treatment. Small enterprises are denied it and are virtually being squeezed out.

There are no clear-cut prospects for the privatization of enterprises. Suffice it to say that in nine months last year, the number of collectively run enterprises in Ukraine's

industry grew from 18 to 48, which constitutes just 0.6 percent of their total number, and just 41 joint-stock companies were set up.

Minister Views Tasks, Problems of Conversion

AU2502160193 Kiev URYADOVYY KURYER in Ukrainian 18 Feb 93 p 3

[Article by Viktor Antonov, minister of machine building, military-industrial complex, and conversion: "Conversion of Military Production"]

[Text] Conversion of military production plays a key role in the extraordinary measures meant to extricate Ukraine's economy from the crisis situation. Advanced technologies and a high scientific and technological potential of the defense sphere largely determine the possibilities of the scientific-production basis of Ukraine's economy.

According to a tentative data, by 1 January, 3,594 enterprises and organizations with various forms of ownership and management were under the jurisdiction of the Ministry of Machine Building Industry. Among them, there were 2,056 industrial enterprises, 479 scientific, 246 design, and 325 building organizations, and also 115 trading and public catering institutions, and others. Such a great quantity of economic projects is a result of the breaking up of large enterprises into smaller units and the creation of small enterprises whose quantity has now reached 1,121.

The abolishment of former Union structures and, with them, of the smooth system of management of such a complex conglomerate has put a number of difficult tasks before the ministry. Among them is the formation of new organizational structures of management of former branches and sub-branches, taking into account their specific features and also restoration in Ukraine of a system for gathering, processing, and analyzing data to facilitate the adoption of substantiated managerial decisions. The most important task is the assimilation of economic methods of management in the conditions of the transition to market relations.

The resolution of these long-term tasks has become more difficult due to the "impetuous" conversion of military production.

Last year, the volume of output of military production decreased by 65 percent compared with 1991; its share in the commodity production has decreased from 23 percent to 8 percent over just one year.

One can imagine what economic losses were sustained by Ukraine's more than 200 largest machine building enterprises in which the volume of production of military technology and weapons in the overall production amounted to between 20 and 95 percent.

Under these conditions, the goal-oriented program approach was chosen as an effective mechanism for the

state regulation of conversion. Its meaning lies in replacing military production with civilian ones with the utilization of goal-oriented comprehensive scientific and technological programs. They envisage a closed cycle for manufacturing new models of machine building products and consumer goods, starting with scientific research and research-design work and ending with serial production. Taking into account the fact that the fragmented programs cannot be implemented through the efforts of enterprises and research organizations of the military-industrial complex alone, the services of enterprises of the machine building complex and other branches of the national economy have been extensively enlisted for implementing these programs.

Among the top priorities of conversion, there is the program for elaborating and manufacturing technological complexes and equipment for the needs of agriculture and processing industries of the agro-industrial complex, programs for medical, complex household technology, and others. The situation on the market may also lead to a revision of priorities. For example, the acute shortage of energy sources has put the question of their compensation and rational utilization at the head of the list. In this connection, the Ministry of Machine Building Industry is urgently completing work on the fuel and energy program.

The inert attitude on the part of ministries and consumer departments toward establishing a portfolio for orders for machine-building products whose manufacture is starting in the course of implementing the programs is quite disturbing. The consumer does not, in fact, take upon himself any obligations and is not juridically bound to pay for the serial output of products. In the conditions of the uncontrolled rise of prices, the consumer may be devoid of corresponding financial possibilities. However, once again, this emphasizes the need to elaborate a well-functioning mechanism for legal relations between the producer and the consumer and their mutual responsibility.

Last year, the Ministry of Machine Building Industry, with direct support from the Ministry of Finance and Ukraine's National Bank, used up all the available sources for financing goal-oriented comprehensive programs. These sources include the following ones: The State Fund for Supporting Conversion, the Special-Purpose Nonbudgetary Fund (a part of the innovation fund), the capital of the State Fund meant for financing sectoral science, credit resources of Ukraine's National Bank, and, finally, the capital of enterprises and organizations themselves.

The following sequence of financial goal-oriented programs has been elaborated: Scientific and technological products are financed from budgetary and centralized sources, and also from the enterprises' own resources;

the serial output of new types of civilian products is being prepared with financing through the enterprises' own capital and the credit line of Ukraine's National Bank and, partly, also through budgetary and centralized sources.

The goal-oriented program for the development and conversion of the military-industrial and machine-building complex envisages the elaboration and serial output of several thousand items of various finished machine building products. For implementing this program, the Ministry of Machine Building Industry has already concluded over 3,000 contracts for the development of scientific and technological products and about 2,000—for preparing serial production of new types of products.

Great numbers of specialists in different spheres are needed. There is only one way out. It is necessary, for the period of implementing goal-oriented programs, to create interdepartmental state commissions that will enlist in their work the services of potential consumers of the new machine-building programs. There is no doubt that additional capital will be necessary to ensure the functioning of these commissions. It is also worth considering the use of the services of international experts for evaluating particularly important programs.

The currently functioning procedure for financing and crediting industrial enterprises and scientific organizations through the network of commercial banks does not make it possible to efficiently utilize the allocated capital. As a rule, enterprises of various branches and regions of Ukraine take part in implementing a single program. The financing of that same program is done by several different banks that service the manufacturers. Every bank has its own policy and needs. Such a principle of financing rules out efficient maneuvering with free and unused capital, and this will lead to failures in the implementation of the programs. The way out from this situation lies in creating a special branch bank for conversion and reconstruction with possible enlistment of the services of foreign investors (like in Japan) [na zrazok Yaponiyi].

Proceeding from the fact that conversion of military production in the young independent Ukrainian state must be carried out within reasonable limits of defense sufficiency, I believe that it is necessary to make the process of financing and crediting comprehensive programs a long-term one; dual-purpose (both civilian and military) machine building products must be added to the list of priority trends; a possibility must be considered for exporting military products through the "Ukrinmash" firm at the Ministry of Machine Building Industry for obtaining additional financial resources for the purpose of increasing the production of consumer goods; to create a state scientific-research center for problems of conversion and machine building.

Belarus

Defense Budget To Decrease by Half

WS2502140093 Minsk BELINFORM in Russian
1239 GMT 24 Feb 93

[Text] According to the Belarusian law "On 1993 State Budget of the Republic of Belarus," defense will get 56.5 billion rubles, amounting to 6.3 percent of the total budget. As reported by competent sources, this is half the sum that was previously spent on defense. In addition to the maintenance and material and technological provision of the Belarusian Armed Forces, this budget will also finance border and railway troops, the headquarters and units of civil defense, and the Belarusian defense and sports union.

Defense Minister Concerned Over Growing Army Indiscipline

WS2602073593 Minsk BELINFORM in Russian
1124 GMT 25 Feb 93

[Text] Speaking at the military collegium, General Colonel Pavel Kozlovskiy, Belarusian defense minister, expressed his concern over the increased number of crimes in the Belarusian Army last year. The number of deaths has grown. The minister stressed that key crimes—voluntary desertion of units, non-statutory relations, and arms and ammunition thefts—must be combated. P. Kozlovskiy stressed that there should be no place in the young Belarusian Armed Forces for those who had soiled themselves with different offenses, were irresponsible in their duties, and did not cherish their military honor and dignity.

An order was announced on removing and bringing to trial five commanders and chiefs of different ranks who had been proven guilty of committing crimes. The collegium decided to increase the accountability of servicemen, regardless of their position and rank, for discipline in Army units and subunits.

Shushkevich Discusses Problems in Taxation System

WS2602074093 Minsk BELINFORM in Russian
1124 GMT 25 Feb 93

[Text] "Although the Belarusian taxation system was designed to stimulate enterprise, it is far from perfect." Supreme Council Chairman Stanislav Shushkevich stated this at a meeting with the workers of the Minsk electrotechnical plant named after Kozlov.

The management complained to the chairman that taxes had literally choked the enterprise. For example, in January the profit was 125 million rubles, while different taxes required 150 million. S. Shushkevich informed the audience that the necessary amendments would be made with the hope of correcting those legislative norms whose effects had not been previously envisaged.

In reply to workers' questions, the legislative head said that the export of foodstuffs from Belarus was [words indistinct]. It has become extremely difficult to buy pork, cheese, and curds in Minsk—a city which has never had any supply problems with milk and meat products. Analysis has shown that foodstuffs are exported through various channels to the Baltic states and Russia. No customs control point can radically change the situation. That is why there are plans to increase prices. "If we do not do this we will lag behind Russia," said S. Shushkevich. "At first life here was easier than in Russia. However, we must further move toward the market, which is impossible without liberalizing prices." Certainly, subsidies for agricultural produce will remain. The question is to whom they should be addressed—the producers or the consumers.

The Supreme Council chairman said that he would [words indistinct] the top officials. "They should be accountable for their work," stressed S. Shushkevich.

Moldova

President Says Things 'Getting Back to Normal'

OW2502181493 Moscow INTERFAX in English 1541
GMT 25 Feb 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] Moldovan President Mircea Snegur told Hungarian TV that the situation in the republic was getting back to normal and that no attempts were being made to usurp power or to establish a dictatorship. He also noted that instead of making unfounded statements, his opponents should present irrefutable facts.

Speaking about prospects for the adoption of a new constitution, he said that the Moldovan parliament will hold the first discussion of the draft constitution on March 2. Following the parliamentary discussion, a national referendum will be held. Which particular aspects of the draft constitution will figure in the referendum will be decided by the parliament in spring.

IF [INTERFAX] Note: Local experts believe that among the issues included in the referendum there will be the provision about Moldova's independence. If such a provision does figure in the referendum, Snegur will at last manage to put an end to all the talk about Moldova's unification with Romania.

Speaking about the settlement of the situation in Trans-Dniester Region, Snegur said that the legitimate authorities are making every effort to solve all the problems peacefully and in a parliamentary way. Following the current parliamentary session, the president and parliament will concentrate on the specific aspects of settlement with the aim of solving this problem completely by

the end of the year. The Moldovan leaders will not depart from the principle of Moldova's territorial integrity and unity, said Snegur.

Russian Commander Warns of Withdrawal From Dniester

LD2502221793 Moscow ITAR-TASS in English 2155 GMT 25 Feb 93

[By ITAR-TASS]

[Text] Moscow February 26 TASS—"If peace-keeping forces are withdrawn without completing the peace process, on the day when this decision is adopted I shall get ready for war in earnest," Aleksandr Lebed, commander of the 14th Russian Army, said in an interview with the newspaper IZVESTIYA on Thursday. [25 February]

Explaining his position, Lebed said that "six months of peace have, unfortunately, ended to no avail." In his opinion, political processes to ensure peace at state and international-legal levels were to go ahead following the disengagement of warring parties. However, this never happened," Lebed said. [no opening quotation mark as received]

He believes his task is to prevent another war. "After Russia guaranteed peace in the Dniester region by the presence of its peace-keeping forces, there was some confidence," Lebed said. "But if a security zone is eliminated before the political conflict is resolved, it will give a free hand to anyone, since everybody sees that no punishment will follow," he noted.

The newspaper comments that the problem of the Dniester region is becoming increasingly connected with the presence of the 14th Russian Army blamed by national patriots as the cause of the economic and political crisis. After the armed conflict last summer the Dniester region is regarding the Army as a guarantor of peace and stability, pinning their hopes on Commander of the 14th Army Aleksandr Lebed, IZVESTIYA writes.

However, the commander of the 14th Army is challenging a principal agreement on the withdrawal of Russian troops from the Dniester region, obviously exceeding his military duties, the newspaper said.

Economic Cooperation Talks With Russia Viewed

MK2502110493 Moscow MOSKOVSKIYE NOVOSTI in Russian No 9, 28 Feb 93 p B15

[Oleg Vladimirov report: "Production Crisis in Moldova Will End in Spring"]

[Text] This optimistic forecast was made by Premier Andrey Sangeli on his return from Moscow, where, together with President Mircea Snegur, he had talks with Russian leaders.

The talks resulted in the signing of agreements on trade and economic cooperation in 1993, free trade, a procedure regulating the settlement of 1992 reciprocal debts and the issue of interstate credits, a protocol on financial and credit relations, and on the establishment of trade delegations in both countries. These agreements are very important for Moldova, because it acquires 90 percent of its raw materials from, and sells 80 percent of its output to, the former Soviet republics.

Fuel is of particular importance to Moldova, which has almost no mineral resources of its own. Its demand for fuel oil this year is expected to reach 2.75 million tonnes, demand for diesel oil 1.25 million tonnes, and for gasoline 0.9 million tonnes. It will additionally require 161,000 tonnes of liquefied gas, 5.4 billion cubic meters of natural gas, and 5 million tonnes of coal.

In line with the agreements reached in Moscow, this year Moldova will receive from Russia raw materials and products worth approximately \$200 million at world prices. It is planned to deliver 100,000 tonnes of gasoline, 100,000 tonnes of rolled metal, 130,000 cubic meters of timber, and 3,000 tonnes of copper foil.

In turn, Moldova will deliver to Russia 25,000 tonnes of meat, 25,000 tonnes of tobacco, 4,000 tonnes of butter, 4,000 tonnes of vegetable oil, 1,250 tonnes of corn seed, plus its traditional engineering items: refrigerated trucks, submersible pumps, electric motors, and cable.

Many of these products will be exported by Moldova under the 15 billion ruble technical credit granted by the Russian Central Bank for the first quarter of 1993. Characteristically, the mutually agreed goods deliveries will be made on a duty-free basis. This does not apply, however, to products that are not included on the protocol lists.

Following the example of Russia, which introduced new import duties on 1 February, the Moldovan Government made a similar decision on 9 February to tighten further the serious restrictions on exports of products from the republic that were imposed on 16 November 1992. New customs duties of between \$0.50 and \$180 will now be levied on 34 types of goods exported from the republic ranging from wine to brandy and electric kettles to car trailers. Customs duties will now no longer have to be paid for goods that Moldovan citizens buy for hard currency in special stores, if they have papers to confirm the fact.

Republic Trying To Repay Debts to Romania

LD2502170093 Moscow ECONOMIC NEWS AGENCY in Russian 1700 GMT 24 Feb 93

[Text] [no dateline as received] Moldova is to repay \$4 million to Romania before 31 March. This was reported on 23 February by parliamentary sources.

In November-December 1991, the Romanian Government granted Moldova a technical credit of \$11 million.

Part of it has been repaid. How the rest is to be repaid was discussed at the collegium of the Ministry of Trade and Material Resources. It was decided that a structural subunit of the minister—the Technical International Trade [Tekhnointerkommerts] association—will purchase goods from industrial enterprises and organizations for delivery to Romania.

Mosanu Discusses Union, Political Issues

AU2502164793 Bucharest ADEVARUL in Romanian
17 Feb 93 p 5

[Interview with Alexandru Mosanu, former president of the Parliament of the Republic of Moldova, by Constantin Lupu and Peter Sragher; place and date not given: "The Key Problem of the Republic of Moldova Is Not the Unification, But Breaking Away from the Empire"]

[Text] [ADEVARUL] What do you think of the appointment of Mr. Petru Lucinschi to the position you yourself used to hold? Do you agree with those who affirm that signs of communist restoration can be noted, bearing in mind Mr. Lucinschi's past?

[Mosanu] Mr. Lucinschi was proposed by a parliamentary majority, by "those 168," as they are termed in our country. The other parliamentary groups, the democrats and the [Christian Democratic Popular] Front [FPCD] had to state their position. Of the three candidates, one had to be supported, and Mr. Lucinschi enjoyed the support of both the group of democrats and the FPCD. Now we have to see what action Mr. Lucinschi will take. After he was elected to this position, he said that there is no way back and that we have to proceed with the reforms and democracy. I think that he is a realistic politician who understands that there is no return to the former system. However, there might be zigzags. A special, preconstitutional regime may be installed with very serious consequences to stop the democratization process, but only for a certain time.

[ADEVARUL] What are the consequences of the resignation "of the four?"

[Mosanu] It is a positive thing that, after our resignation and the election of the president of parliament, the parliamentary majority, which is now formed on a different basis, arrived at the conclusion that parliament has to continue its activity. As I said in my last speech in parliament, the danger exists of installing a personal power. After thinking things over, after verifications, and after he became acquainted with certain documents, Mr. Lucinschi arrived at the conclusion that this fundamental structure of democracy, the parliament, has to be preserved. This is already a victory.

[ADEVARUL] Is the referendum still a topical issue?

[Mosanu] At best it has been postponed or removed from the agenda. Due to what happened in the past few days, this issue was no longer discussed and, in the worst case,

it has been postponed. Everything depends on what action the parliament leadership will take in this respect.

[ADEVARUL] Your group of four has demonstrated that you do not crave power. Could this have made the agrarians change their attitude?

[Mosanu] The result of our resignation is the preservation of our parliament as I have said before. People did not really understand me. Why preserve such an inadequate, such a reactionary parliament? They did not understand that the parliament is an institution of this republic and its dissolution would mean to create an explosive situation in this independent republic about which there is so much talk. If you dissolve the parliament, then what kind of an independent republic is it? What direction would it head for?

Examining President Snegur's statement in my speech on 19 January in parliament, I said that, despite everything, parliament is still able to adopt appropriate decisions. That is how I concluded my speech. I was aware of what I was risking with this statement. Then I was glad to note a change of attitude among the ranks of the agrarians following our departure. Things must be seen through the angle of wider interests and not only our personal ones.

Returning to our subject, I would like to sum up: A new regrouping is taking place at this time; the problem of the referendum and CIS are problems that, in my view, will no longer be the focus in parliament for the time being.

[ADEVARUL] FPCD is a heterogeneous formation at this time. Is there any possibility of an alternative, of another homogeneous and strong opposition party?

[Mosanu] Homogeneous? I do not know whether such a thing exists in politics. Even a very strong party has factions. You are probably not talking of creating another party as an opponent, a counterforce to the FPCD. However, what is needed is an alliance of parties, no matter what its name. This alliance should issue a platform to unite all existing patriotic political forces. There are a number of parties and organizations: the Party of the Democrats, the Democratic Party, the Christian-Democratic Party, the Youth Organizations, and the Democratic League of Women... All these forces have to be brought under the same umbrella. They have to act on the basis of a well-established program.

[ADEVARUL] United even institutionally? Have its own structures?

[Mosanu] Yes. I believe that this is the solution, and I think that action will be taken in this direction.

[ADEVARUL] Were there any contacts with the Romanian authorities before or during the preparations, or after the proclamation of independence, regarding immediate unification with Romania?

[Mosanu] No. We maintained relations with certain officials from the Romanian Ministry of Foreign Affairs

who were interested in the situation in our country. But, as far as I know, such discussions did not take place at the top level.

[ADEVARUL] Did any of the Moldovan leaders have the idea of linking the proclamation of independence to the unification?

[Mosanu] No. Such ideas did not exist because what was important was to break away from the empire. As a matter of fact, this issue has not lost its importance since then. In my view this is the key problem we have to solve. We have to break away from the total dependence on Russia which again wants to become an empire. This is the key issue and not the issue of unification. Unification will occur only if this troubled and confused nation wants it. What is important for us is not to be again at the beck and call of Russia. I do not agree with what we are told, namely not to confuse the CIS with Russia. Russia is the CIS because Russia is its founder. Russia considers the CIS as its platform for restoring the empire. There is a close link between the two. It is not Belarus that dictates within the CIS.

When considering the unification, one has to bear in mind the concrete situation. One cannot ignore the state of affairs. Those who do, those who say "unification—now!" cause harm. For, this has, actually, been counter-productive.

[ADEVARUL] It radicalized the issue...

[Mosanu] It radicalized it and alienated part of the people. This fact was exploited to the maximum by all the leaders of the former communist system: They said that the Republic of Moldova wanted to be independent, while we wanted it to become somebody's province. As a matter of fact, it would be correct to say at this point that it is one thing to be the province of a new empire and another to be a province in your own country.

[ADEVARUL] Is there a sort of fear that troubles people?

[Mosanu] Ever since the Russian empire, all Russians have this idea of a big power, this idea of being the masters. Wherever they are, they are the masters, no matter whether they are here in Moldova, in Tiraspol, or in other parts of the former USSR. They were the masters everywhere. When we started the issue of our state language, when someone wanted to be on an equal footing with them, this was not tolerated. Even now the Russians think they are the masters. Actually, a number of institutes in Moscow have carried out polls. According to them, 15 percent of the interviewed people had said that they were living in the USSR. You realize what kind of a mentality these people have. They believe—and continue to believe—that they are living in that part of the former USSR that will achieve the restoration of the new empire.

[ADEVARUL] What was the development of relations like between you and President Snegur?

[Mosanu] You know, I was always at his side at the most difficult times. I supported him as best I could, and our split occurred for principled reasons. He probably sensed what my attitude was even when I was elected in parliament. At that time he said he was against my election as president of parliament. He said he saw me rather in the role of his counselor. Regardless of this, I can tell you that I was at his side, and I helped him. Actually, we helped each other, I did not help him, because together we were drafting a policy. There were differences, and that was natural; I told him a few times that I was not his political rival, in the sense that I did not want to hold any position he was holding. I told him that I was going to support him on all major issues, that I was ready for close cooperation with him, but I always asked him to bear in mind that I would have my own position and views that might differ from those held by the president of the republic and that he had to get used to that... I also told him that the two of us could complement each other. Then I told him that he had certain qualities, while I had others, and if we united them it would be a positive thing. Well, that did not happen. What can you do? Numerous people understand what happened in a rather simple way, a very simple way. They believe that if something wrong happened in this republic it was due to the fact that the president of the republic and the president of parliament did not get along. This is, I want to repeat, a very simple way of seeing things. Our opinions on the referendum and the CIS differed, and this actually alienated us. I told the president this on the telephone. I suggested that he postpone the discussion on these issues, but not because I wanted to avoid them. However, if the CIS disintegrates, then the problem will disappear, too.

Then we avoid a confrontation, but what happened has happened. Therefore, I told him that that was how far we could go and that our ways were parting. At the end of September [1992] I told him on the telephone that I cannot accept this policy, this adherence to the CIS. I cannot tolerate it. For, when the Alma-Ata meeting was going to be held, he adopted the position, which he adopted... all by himself. When he left for Alma-Ata, he said he was going there as an observer. However, once there, he signed documents on the setting up of the CIS. This is what I am talking about!

[ADEVARUL] Actually, the president of the republic signed some documents, without having the parliament's mandate. Is this legal?

[Mosanu] In this case he does not depend on the parliament, but it would have been normal to consult it. This is a cardinal problem, a fundamental one. It involves the republic.

[ADEVARUL] During these days of tension in parliament, did Romania seem close to you?

[Mosanu] I did not have any contacts. I was not contacted, either... I was not contacted from anywhere.

[ADEVARUL] How was that invitation for 24 January conveyed to you?

[Mosanu] This is what happened: On 23 January at 2335 [2135 GMT] I was contacted by telephone from Iasi after other colleagues of mines had been contacted, as for instance Vasile Nedelciuc.

He telephoned someone else and began to discuss whether they were going to Iasi or not. Mr. Ioan Solcanu, who made the invitation on behalf of the municipal and county authorities, called me on the telephone and said: "Are you going to participate in the celebration in Iasi linked to the unification? Who would be able to come?" Then I said: "I am going to come." To which he said: "Very well. You leave tomorrow morning at 0600, and at 0830 you will be in Iasi." That is what I did. Then I contacted Mr. Nedelciuc and asked him to go with me.

[ADEVARUL] How do you explain that the treaty with Romania has still not been signed?

[Mosanu] Bucharest proposed the draft a year ago, but Chisinau did not agree with it. I do not see anything particular in this. A draft accord was proposed and surely we could have proposed amendments; when I visited Romania last March in my capacity of president of parliament, together with the president of the republic and the prime minister, we also discussed this subject. Then we agreed that this treaty should be signed at the end of last March.

[ADEVARUL] Should we understand from what you say that there is lack of information between the parliament and executive power?

[Mosanu] Unfortunately, this lack of multifold information on the part of the executive power existed constantly and I think that this is not an accidental thing. It was probably also my mistake, and the mistake of the Parliament Presidium caused by the fact that we did not want to reveal the differences linked to the activity of the government and president. We were constantly in a political crisis. Especially linked to the situation in the Dniester region and the south of the republic. Under such circumstances, we thought it would be better not to quarrel. However, the authority of the parliament had to suffer. From the very beginning of its activity, and especially in 1991, the parliament turned into a scapegoat. There was television reportage during which some

grape gathering farmers said regarding wages: "What wages, this parliament is doing nothing for us poor women?"

[ADEVARUL] But this was a problem to be dealt with by the government.

[Mosanu] As a matter of fact, it was the problem of the executive power, but the government did nothing to solve it; in many cases it did not implement or even ignored parliament decisions or laws. Under such circumstances, we have to control things through the standing commissions. When—during Muravski's cabinet last year—the Parliament Presidium took a drastic decision regarding the fact that the government was not issuing the privatization law and that obstacles were constantly created for drafting a privatization program, then the government responded with a decision demanding that parliament discuss our position. The government asked parliament?! Thus the government does not know what its role is, and things are inverted.

I would like to draw attention to the following: When the 168 deputies were unable to promote their draft decision through parliamentary methods, they could have returned to this draft decision and promoted it with their majority. However, they did not want to do this. Their goal was not that the parliament continue its activity. Thus they issued the 28 January statement saying that they would not return to parliament. The goal was to dissolve the parliament and to organize new elections; they thought that under the given circumstances a parliament would be elected without any opposition among its ranks.

[ADEVARUL] It has been said in Bucharest—even at the top level, namely the presidential level—that the Dniester regions is not Romanian soil. We want to ask you, a historian, what kind of soil is it?

[Mosanu] It is part and parcel of the Republic of Moldova. We did not create these borders. They were not created on the basis of our decisions. You know how they were established... They were established on the basis of the Ribbentrop-Molotov Pact, and following the adoption of the decisions of the supreme legislative forum of the former USSR. Therefore, we did not choose these borders, but they have been recognized. We cannot renounce these borders of the Republic of Moldova. We have to take them into account. How things will develop is another matter. Under the current circumstances, the left part of the Dniester is part and parcel of the Republic of Moldova. We cannot ignore the attitude of international forums, those we supported us and recognized our borders.

Kazakhstan**Press Conference on Border Cooperation With Russia***OW2502194493 Moscow INTERFAX in English 1915 GMT 25 Feb 93*

[Following item transmitted via KYODO]

[Text] Commander of Russian border troops, General Vladimir Shlyakhtin, announced that four battalions of 500 soldiers each will be sent to Tajikistan to help maintain the republic's border with Afghanistan. Appearing at a press conference in Alma-Ata Thursday [25 February], he described the situation at the border as difficult.

Russian Security Minister Viktor Barannikov, who went to Kazakhstan with General Shlyakhtin, said that a Russian delegation would fly to Tajikistan Friday morning [26 February] to survey with the circumstances along the Tajik-Afghan border. The delegation will report its findings to Russian President Boris Yeltsin after returning to Moscow. Barannikov stressed, "We cannot allow a second Afghanistan."

In Alma-Ata they signed an agreement on collaboration and mutual activities on border issues and a protocol on collaboration between the Kazakh National Security Committee and the Russian Security Ministry. The two republics also signed a protocol on collaboration in military counter-intelligence.

In response to a question from INTERFAX at the press conference, Barannikov said the protocol on collaboration in counter-intelligence was designed to combine their efforts "in guarding strategic military installations." Here, the Russian minister noted, "there are joint interests" in the security of military installations.

Chairman of the Kazakh National Security Committee Bulata Bayekenov, who also spoke at the press conference, said the parties "promised not to work against one another in the realm of military counter-intelligence."

'Strategic Alliance With Russia' Seen as Priority*PM2502160593 Moscow KRSNAYA ZVEZDA in Russian 23 Feb 93 p 2*

[Anatoliy Ladin report under "From Our News Bureau" rubric: "Strategic Alliance With Russia Remains Priority for Kazakhstan"]

[Text] Alma-Ata—Nursultan Nazarbayev, president of the republic, declared this after a tour of a number of European countries and visits to Egypt and Turkey.

Nazarbayev emphasized that Kazakhstan will fulfill the provisions of the START I Treaty, but it must have guarantees of its own security. The republic intends to

defend its sovereignty by adhering to the treaty on collective security within the CIS framework, together with Russia.

President Nazarbayev Leaves for Talks in Moscow*LD2502152393 Moscow Radio Rossii Network in Russian 1200 GMT 25 Feb 93*

[Text] Kazakhstan President Nursultan Nazarbayev and Prime Minister Sergey Tereshchenko left for Moscow today, where they will have a working meeting with the supreme leadership of the Russian Federation. This is reported by the KAZTAG agency. A broad range of questions connected with bilateral cooperation between Kazakhstan and Russia in the economic, financial, and other spheres are expected to be discussed during the meeting.

Kyrgyzstan**Additional Militia Placed Near Border With Tajikistan***LD2602101993 Moscow Radio Rossii Network in Russian 0800 GMT 26 Feb 93*

[Text] Additional militia and internal troop units have been brought into the region of Osh Oblast, Kyrgyzstan, bordering on Tajikistan, the ANI agency reports from Bishkek. Customs control on the border has also been stepped up. These measures are explained by an exacerbation of the situation in the mountainous border areas of Tajikistan, where fighting is going on between government troops and opposition formations.

Akayev, Chingyshev Meet Azeri Delegation, Sign Agreements*LD2502165393 Moscow ITAR-TASS in English 1402 GMT 25 Feb 93*

[By KYRGYZKABAR correspondent Nataliya Voroshilova for TASS]

[Text] Bishkek February 25 TASS—An Azeri government delegation led by acting Premier Ali Masimov arrived in the Kyrgyz capital this Thursday [25 February].

The sides signed a package of intergovernment agreements after bilateral talks: on principles of trade and economic relations and on cooperation in education. Kyrgyz President Askar Akayev and Premier Tursunbek Chingyshev held talks with Masimov.

The head of the Azeri delegation noted at a news conference that the visit would help strengthen and re-establish disrupted mutually advantageous relations between the two states. The delegation will depart from Bishkek on Friday.

Further on Economic Agreements

OW2502211993 Moscow INTERFAX in English 1917
GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] Kyrgyz Prime Minister Tursunbek Chingyshev and Azerbaijani Acting Prime Minister Ali Masimov met in Bishkek on Thursday [25 February] where they signed several bilateral agreements on trade and economic cooperation for 1993. They also concluded agreements on the countries' cooperation in education, health care, culture, tourism, and protocols pertaining to the procedures of incepting joint ventures and joint-stock companies.

The parties also signed several agreements regulating the relations between their customs services and a protocol on a technical credit for 1993 between the countries' national banks.

Asked by Interfax about the prospects for these countries to cooperate in oil production, Mr Chingyshev admitted that no such agreements have been signed, while Azerbaijan has committed itself to supplying to Kyrgyzstan oil products and the equipment for the republic's oil-producing industry.

The Kyrgyz prime minister characterized as "auspicious" the countries' cooperation in the area of survey and development of oil deposits on the territory of the republic.

On the same day, the Azerbaijani delegation was received by Kyrgyz president Askar Akayev. He reiterated Kyrgyzstan's attitude toward the ongoing armed confrontation between Azerbaijan and Armenia, urging the belligerent sides to reach a peace settlement. "Both countries should proceed from the principles of international experience in this regard which affirm the integrity and inviolability of international borders," the Kyrgyz president emphasized.

Earlier, the Azerbaijani delegation signed a package of economic agreements with Kazakhstan.

Following the visit to Bishkek, the delegation will visit Uzbekistan and Tajikistan.

Uranium Extracting Enterprise Switching to Gold

PM2502132593 Moscow IZVESTIYA in Russian 18
Feb 93 p 2

[Aleksandr Ryabushkin report: "Kyrgyzstan Curtails Uranium Production and Prepares To Extract Gold"]

[Text] Bishkek—A leading natural uranium extracting enterprise—the "Yuzhpolimetall" Production Association—has ceased to exist as an autonomous entity.

By decision of the government it has been put under the control of the "Kyrgyzaltyn" concern, whose main task is to give the republic as much gold as quickly as

possible, as opposed to the nuclear material for bombs and nuclear power stations. Earlier on the Khaydarken Mercury, Kadamzhay Antimony, and Kazarman Gold Combines were made part of it. Now it can be said with confidence that they have finally rid themselves of the former Union ministries' freebooting leaders.

The meetings of the "Yuzhpolimetall" management at which a threat was made to Kyrgyzstan's leadership to stir up the association's labor collectives and to enlist the support of its partners in the former Union republics constituted a final but timid ripple of discontent.

There was a swift reply. A statement from President A. Akayev's press secretary said that the president will not permit anyone to interfere in the sovereign state's affairs.

So what will happen now to the association, which has a modern production facility employing thousands of highly qualified workers and engineers? Most likely they will have finished with uranium forever, particularly as the main extraction sites are left in Kazakhstan.

But the choice has been made, and it remains for the last consignment of 1,500 tonnes of uranium to be sold and to switch completely to gold production. A plant for producing pure gold bullion has already been constructed at the association.

Tajikistan

Government Delegation To Visit Afghanistan 23 Feb

OW1902211893 Moscow INTERFAX in English 1657
GMT 19 Feb 93

[Following item transmitted via KYODO]

[Text] Tajikistan's government delegation is flying to Afghanistan on February 23 to negotiate the return of Tajik refugees. The speaker of the Tajik parliament Imamali Rakhmonov has said in an exclusive interview for Interfax that the delegation includes the leader of the pro-government Popular Front Sangak Safarov. In Afghanistan the commission will be meeting with refugees and trying to make on-site decisions as to how help them return home.

In the meantime, according to Rakhmonov, two or three transport planes arrive from Pakistan to the area of Tajik refugee camps in the North of Afghanistan every day. They deliver relief and weapons to opposition militants. Rakhmonov believes that that "cannot be an affair of the government circles of Afghanistan or Pakistan".

Despite reports that the militants were undergoing military training, the speaker ruled out any large-scale offensive in the spring in Tajikistan or a "jihad" (holy war) against the Russians and Uzbeks the opposition leaders have warned of. He said that government forces had been driving armed opposition out of one area after

another and "restoring life to normal and legal authorities to their position". He strongly dismissed the charges that Russian troops were involved in operations against the armed opposition.

Rakhmonov said that life in the capital Dushanbe was returning to normal slowly but surely. The Interior Ministry and National Security Committee forces have rendered harmless about 80 "big and small criminal groups, responsible for looting and marauding". Some of their members committed crimes in the guise of supporters of the Popular Front of Tajikistan.

People's Front Leader To Give Refugees Safety Guarantee

OW2302142393 Moscow INTERFAX in English 1323 GMT 23 Feb 93

[Following item transmitted via KYODO]

[Text] Leader of the pro-government People's Front of Tajikistan Sangak Safarov intends to visit a refugee camp in Afghanistan shortly. He told INTERFAX in an exclusive interview that he had discussed this matter at a recent meeting with General 'Abdol Rashid Dostam, the leader of Afghanistan's northern provinces, in the Tajik border town of Nizhny Pyanj.

Various sources say that a total of around 50,000 refugees had fled the hostilities in Tajikistan for neighboring Afghanistan.

The Russian border guards press center on the border between Tajikistan and Afghanistan has said that only around 4,000 refugees had returned to Tajikistan since pro-government forces regained control of the southern regions from December to January.

Safarov intends during the forthcoming meetings with his compatriots to offer them guarantees of safety for a legitimate return to their native land. He said that representatives from the refugee camps had arrived in Tajikistan to become familiar the situation facing returnees at talks with members of the People's Front.

The front's leader expressed his certainty that "90 per cent of the refugees would return to Tajikistan after receiving the safety guarantees."

Militants Undergo Training in Afghanistan

OW2502174293 Moscow INTERFAX in English 1627 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] Two prominent opposition leaders of Tajikistan are now in an area of Afghanistan held by Golboddin Hekmatyar's guerilla units. In an interview with Interfax, Deputy Speaker of the Tajik Parliament Abdulmajid Dostiyev said they were former Islamic leader of Tajikistan Akbar Turadzhon-Zoda also known as government

opponent, and ex-Deputy Prime Minister and deputy in charge of the Islamic Party Davlat Ousmon.

He said the two men had arrived in Afghanistan after opening their headquarters in Cairo and were now engaged in training with Hekmatyar's assistance Islamic militants selected from among Tajik refugees fleeing to Afghanistan.

Dostiyev said the government was working hard to try to get the refugees back home and ready to provide safety guarantees if they returned legally.

At the same time, he said there was a real threat of vendetta on the part of members of the pro-government People's Front, but the authorities and Front Leader Sangak Safarov were seeking to prevent this from happening.

As part of efforts to this end, the government is now trying to disarm one of the Front factions led by field commander Faizaly Saydov. The authorities are in possession of the list of faction members including those who have agreed to serve in the regular army, interior ministry troops and security forces.

Government Troops Regain Ground From Opposition

LD2502162793 Moscow Teleradiokompaniya Oostankino Television First Program Network in Russian 1200 GMT 25 Feb 93

[By Alisher Khodzhaev from Tajikistan; from the "Novosti" newscast]

[Text] More than 100 tonnes of explosives, firearms, and military equipment—these are the trophies of government troops in the mountainous areas south of Dushanbe. As a result of the military operations in Garmshiy Rayon, 118 fighters from the Ministry of Internal Affairs have died. After the taking of Komsomolabad, they only managed to find the 22 bodies. Yesterday, their funeral was held in (Farkhadshiy) Rayon. There are no figures for opposition losses. Komsomolabadshiy, Garmshiy, Tajikabadshiy, Tavildarinskii Rayon, and the Romit gorge are completely in the control of government troops. Imamali Rakhmonov speaker of the Tajik parliament, said at a session of the Supreme Soviet Presidium.

In Dushanbe, 300 people have been detained for committing robberies and thefts in the guise of militia staff or fighters of the People's Front. Rakhmonov also confirmed the report that on 25-26 February, four battalions of peacekeeping forces will be brought into the republic from fraternal republics to close the Tajik-Afghan border, provocations on which are not ceasing even for a day.

Intervention in Badakhshan Threatened

MK2602100493 Moscow NEZAVISIMAYA GAZETA in Russian 25 Feb 93 p 3

[Oleg Panfilov report: "Emomali Rakhmonov Issues Threat to Badakhshan. Tajik Refugees Are Not Left in Peace Even in Moscow"]

[Text] Following their operation to destroy some of the opposition forces in the Garm, Komsomolabad, and Tadzhibakad rayons, the Tajik authorities marked their Armed Forces Day with a parade of Russian-made armored vehicles across the central square of Dushanbe. On 23 February, Supreme Soviet Chairman Emomali Rakhmonov made a speech in which he gave his view of the situation in the republic. His speech, especially that part of it in which he spoke about sending government troops into rayons of the Autonomous Republic of Badakhshan in the event of unrest there, provoked bewilderment in Khorog (Gornyy Badakhshan). That idea could be taken to be his reaction to the ultimatum by the Badakhshan Supreme Soviet rejecting all forms of interference by the central government in the autonomous republic's internal affairs. Moreover, the ultimatum contained the warning that Badakhshan cannot vouch for the lives of anyone who violates its borders.

The situation in Badakhshan is compounded by the presence in Kalaikhum Rayon of a large number of refugees from Tavildara who hastily left their homes after paratroopers landed a week ago in this strategic mountain area where the Karategin Valley borders with Badakhshan. Refugees say that a detachment of government troops and helicopter gunships shot at people trying to escape to safety in motor vehicles. The plight of the Badakhshan people is aggravated by an acute shortage of food and a virtually total lack of gasoline. There has been no air service from Dushanbe for more than two weeks, and it will not be resumed until there is a special directive from the government. People in Khorog told a NEZAVISIMAYA GAZETA correspondent, however, that they are having no other difficulties and that their relations with the border guards are still normal. An attack on Badakhshan could nevertheless become a reality (since it is being discussed by the military in Dushanbe), if only to "punish" the Badakhshan people for the National Front defeat last October when units under the command of Safarali Kendzhayev were dislodged from the capital city.

The paradoxes of Tajikistan today continue to amaze observers who watched Sangak Safarov, the National Front leader and an implacable opponent of the "Islamists," on television on 21 February wearing a national robe and skull cap, as he greeted the people of Tajikistan on the start of Ramadan. At the same time, the mass media are publicizing a decision by the Procurator's Office to bring criminal proceedings against Kazikolon

Akbar Turadzhonzoda, who is accused of treason and seizing of power. No mention is made of the fact that Turadzhonzoda is a people's deputy of Tajikistan and that he was until recently a member of the Supreme Soviet Presidium. Ignoring this, government officials are referring to certain documents that they allegedly found during their investigation.

The persecution of dissidents in Dushanbe has resulted in the arrest of several journalists and two members of the Islamic Revival Party who are now being investigated during detention in a cell at the National Security Committee. There have been increased attacks on Davlat Khudonazarov, Rakhmon Nabiyev's rival in the presidential elections, who is accused of nothing less than stage managing the February 1990 events in Dushanbe, although everyone in Tajikistan knows that Khudonazarov flew urgently from Berlin to Dushanbe as the clashes between the demonstrators and Soviet troops were ending, and that he actively mediated in normalizing the situation. Meanwhile, the ideologists of the new government are still not leaving journalists and refugees from Tajikistan in Russian cities, including Moscow, in peace. Republican newspapers are publishing denials of articles in MOSKOVSKIYE NOVOSTI and NEZAVISIMAYA GAZETA, and a group of Tajikistan special service men has now been in Moscow for more than two months. While they are not taking any actions against the refugees, it is feared that this could happen if their mission is regarded in a positive light by the Russian Ministries of Security and Internal Affairs. At any rate, there has not yet been any reaction from Russian Security Ministry officials to an IMA-PRESS agency query about the motives behind the presence in Moscow of Tajik security men.

Food Situation in Dushanbe Worsens

LD2602123793 Moscow ITAR-TASS in English 0805 GMT 26 Feb 93

[By KHOVAR news agency for TASS]

[Text] Dushanbe February 26 TASS—The food situation worsened again in the Tajik capital. Meat, sausage, butter, oil and sugar have not been on sale for a long time. Prices soared at city markets. For example, one kilogram of potatoes costs in Dushanbe 60 roubles and one kilogram of beef—between 350 and 380 roubles.

Specialists forecast a further growth of the prices of meat and meat products. The thing is that the number of cattle reduced at public sector farms by 40,000 as a result of the civil war. The number of goats reduced by 50,200 and the poultry population—by half.

The republic adopted a state programme of the restoration of agriculture. Strong financial support will be rendered to it. Allocations in agriculture will reach this year the unprecedented level of 30 billion roubles.

Armenia**President Announces Clinton's Letter of Response***OW2502173293 Moscow INTERFAX in English
1627 GMT 25 Feb 93*

[Following item transmitted via KYODO]

[Text] According to Armenian President Levon Ter-Petrosyan's press service, Ter-Petrosyan on February 24 had a letter from U.S. President Bill Clinton assuring him that the United States will be making efforts to ensure the success of the talks on the Nagorno-Karabakh problem and relieve the energy crisis in Armenia. The letter was a response to a message to the leaders of major world powers sent by Ter-Petrosyan on January 25 asking them to help Armenia breach its blockade.

Clinton also expresses the hope that Turkey will shortly expand its economic contacts with Armenia.

Ter-Petrosyan's press service describes Clinton's letter as an indication of the new U.S. President's sincere desire to make a contribution to assistance to Armenia and the settlement of the Nagorno-Karabakh conflict.

Opposition Again Demands Constituent Assembly*OW2502174893 Moscow INTERFAX in English
1627 GMT 25 Feb 93*

[Following item transmitted via KYODO]

[Text] Supporters of the National Self-Determination Association, an Armenian opposition organization, on February 25 held a new meeting in Yerevan, the third one for this month, demanding convocation of a constituent assembly for the adoption of a new constitution stipulating that parliament and President be re-elected. The meeting was attended by some 5000 people, much fewer than had come to the previous ones.

The leader of the National Self-Determination Association, Paruyr Arykyan, member of parliament, believes the convocation of a constituent assembly should be preceded by the formation of a state council of 13 representatives from the republic's various political parties and organizations.

The demand for a constituent assembly is supported by the Republican and Dakshnaksutyun [Armenian Revolutionary Federation] Parties.

The association has scheduled its next meeting for February 27.

Discussion on Limiting Presidential Authority Continues*NC2502140793 Yerevan SNARK in English 0452 GMT
25 Feb 93*

[Text] Yerevan, February 24 (SNARK)—The Armenian Parliament again postponed the discovering of the question connected with limitation of the presidential authorities, that is to redistribute the authorities between the Armenian president and the Armenian Parliament. The opposition parties which are for limitation of the presidential authorities introduced 7 projects. Only 3 were left by the end of the session. Kim Balayan, chairman of the Parliamentary Permanent Commission on Legal Affairs, has informed SNARK's reporter of the fact that the existing discontent in the work of the faction and groups can be explained by the low degree of organization among the deputies who haven't yet introduced their projects. Balayan has mentioned that the opposition parties will introduce the unanimous project for the next time.

Yerevan Updates Clashes; Claims Control of Sarsang Dam*NC2502190893 Yerevan Radio Yerevan in Azeri
1430 GMT 25 Feb 93*

[Excerpts] Dear listeners, we now present a report on the latest incidents in the Nagorno-Karabakh Republic [NKR] and the border between Armenia and Azerbaijan.

Talks will be held in Rome tomorrow on the Nagorno-Karabakh dispute. Predicting the outcome of the talks, which will be held within the CSCE framework, is difficult, but the disputing sides and the international community are hopeful. [passage omitted]

The situation continues to be tense in the disputed areas. Combat has continued uninterrupted in the NKR, which has been attacked by Azerbaijan. Intensive operations have taken place again in Mardakertskiy Rayon. The NKR self-defense forces continued their successful counterattacks in liberated areas occupied by the Azerbaijani usurpers. Despite resistance by Azerbaijani military units, the Armenian self-defense forces have achieved considerable success on that part of the front. More than 20 residential areas in Mardakertskiy Rayon have been liberated.

Fierce battles took place near Medzhen and [placename indistinct] in Mardakertskiy Rayon yesterday and last night. The enemy units have been forced to retreat by Armenian fighters. The Azerbaijani Army units suffered many casualties and have lost a considerable amount of military material again. The Armenian forces now control the Sarsang Dam and hydroelectric powerplant. A recent report says fighting is taking place for control of Kusabad, Magavuz, and Medzhen. The freedom fighters of Artsakh [Nagorno-Karabakh] have taken the main heights around Medzhen.

According to the NKR Self-Defense Committee, fighting took place near Shilli in Agdamskiy Rayon and Moganly in Martuninskiy Rayon yesterday and the night before. Askeran and Khanabad were fired on by tanks, artillery, and Grad rockets from positions in Agdamskiy Rayon. Fighting also took place in the other parts of NKR's front line.

Gevorkavan in Martuninskiy Rayon was fired on from Fizulinskiy Rayon with various types of arms yesterday. According to incoming reports, several civilians were wounded. The Armenian fighters returned the fire and silenced the enemy.

The situation in the humanitarian corridor in Lachinskiy Rayon is currently peaceful. [break in transmission]

Karabakh Defense Committee Introduces Censorship

NC2502141993 Yerevan SNARK in English 1059 GMT 25 Feb 93

[Text] Stepanakert, February 25 (SNARK)—Henceforth the Karabakh mass media would have a right to use materials only after an information and press department of Karabakh test. This decision of the Karabakh Defence State Committee, accepted to avoid the releasing the materials, which can damage Karabakh's defence potential, discredit its army and destabilize the situation in the region. Marsel Petrosyan, the head of the department, has strongly denied the affirmation that the official documents of the Karabakh Supreme Soviet Presidium are also to be censored. "The ratified [as received] by the Presidium decisions are to be executed, but not to [be] revised," Petrosyan said.

'Violations' of Democracy Feared

NC2502153893 Yerevan SNARK in English 1253 GMT 25 Feb 93

[Text] Stepanakert, February 25 (SNARK)—Regarding the fact of introducing the press censorship by the Defence State Committee in Karabakh, the Press-Secretary Gegam Bagdasaryan expressed fears relating [to] the possible violations of democracy principles in Nagorno-Karabakh. "There is nothing out of nature in that decision, accepted in the martial conditions. But the censorship, otherwise, is a limitation of freedom of speech, and more zeal than sense, would lead to undesirable consequences. [no closing quotation marks as received]

Azerbaijan

Foreign Ministry: Russian Army Participation 'Inadmissible'

NC2502181693 Baku AZERTAC in English 1433 GMT 25 Feb 93

[Text] Baku, Feb. 25 (AZERTAC)—The note of the Azeri Foreign Ministry to the Russian Foreign Ministry

was done to the Extraordinary and Plenipotentiary Ambassador of the Russian Federation in Azerbaijan, Valter Shonia, today. A protest in connection with participation of the Seventh Russian Army Division, which stationed in Armenia, in fighting operations in effectives of Armenian armed forces in the north of Karabakh, was expressed there.

It was underlined that the Azeri Foreign Ministry, expressing its adherence to the political settlement of the Azeri-Armenian conflict, considered the participation of Russian armed forces in it inadmissible. Escalation of military operations will lead to violation of tendency to settlement of the conflict and growth of tension in the region on the eve of the CSCE Minsk groups meeting, as it was said in the document.

Shonia claimed that he would give the content of the note to the leadership of his country.

Russian Forces Demand Baku Confer Peacekeeping Status

OW2502141493 Baku Azerbaijan Radio Televiziyasi Television Network in Russian 1500 GMT 23 Feb 93

[From the "Telefaks" newscast]

[Text] The leadership of the Russian Ministry of Defense addressed the Azerbaijani Government with an unofficial ultimatum demanding Baku confer the status of peacekeeping forces onto Russian Federation units stationed in Gyandzha [words indistinct] CIS military structures. Abulfaz Elchibey, the republic's president, told of this during his appearance at the Supreme Assembly of the National Front.

Elchibey Discusses Issues With Nazarbayev, Shevardnadze

NC2502192993 Baku Radio Baku Network in Azeri 1700 GMT 25 Feb 93

[Text] President Elchibey has conferred with President Nazarbayev by telephone. The two discussed the improvement of bilateral cooperation in the political, economic, and cultural fields. They also discussed the Karabakh dispute in their friendly conversation. President Nazarbayev reiterated Kazakhstan's long-term policy that Karabakh is an inseparable part of Azerbaijan. Armenia's territorial claims are baseless, and defending the principle of the inviolability of its territory is an Azerbaijani right.

Nazarbayev said in the contemporary world any move to change borders must be regarded as an inadmissible action.

The two presidents also discussed the possibility of recognizing cultural autonomy to Armenians in Karabakh and the need to find a peaceful solution to the dispute. President Nazarbayev said the international

community appreciates Azerbaijan's efforts and said he hopes a political solution will be found to quickly resolve the dispute.

President Elchibey also talked to Georgian Supreme Soviet Chairman Eduard Shevardnadze. In their 10-minute telephone conversation, Shevardnadze warmly thanked President Elchibey for the hospitality accorded to him when he visited Azerbaijan. Their telephone conversation focused mainly on the question of restoring peace in the Caucasus. The need to gradually broaden bilateral friendship and cooperation was stressed. It was noted that regardless of diversions and foreign obstacles the two neighboring countries will confidently move toward democracy and make a serious effort to restore peace to the region.

Elchibey and Shevardnadze said they hoped the centuries-old good-neighborly relations between Azerbaijan and Georgia will be further strengthened at this difficult time for the two republics.

Explosions Said 'Handiwork' of Politicians

NC2502153993 Baku *TURAN* in English 1151 GMT 25 Feb 93

[Text] Baku, 25 Feb (TURAN)—The Armenian-Georgian relations within last days became much complicated.

Director of the independent centre of strategical investigations in Baku Eldar Namazov thinks that it is attempt of military-political circles of Moscow to strengthen their influence in the Caucasus region. As it is known demands on withdrawal of the Russian sub-units from this region are sounded more loud in Georgia. In the statement, accepted by the Georgian Parliament in connection with bombardment of Sukhumi is said that Georgia is indignant at statements of the Minister of Defence of Russia Grachev that Abkhazia and Adzharia are strategically important regions for the Russian sub-units settled in Georgia, leaving of which means for Russia to loss [as received] the Black Sea.

Namazov considers that in such situation Moscow will do its best to make relations of Georgia with its neighbours—Armenia and Azerbaijan more complicated.

At the same time Baku composedly reacted upon the explosion of the railway between Azerbaijan and Georgia, however reaction in Yerevan upon explosions of gas-main was anti-Georgian.

Baku reacts upon information on oppression of Azerbaijanis in Georgia with restrain [as received] also, but in Armenia information on status of Armenians in the region of Akhalkalakskiy of Georgia arises wild indignation. So, it is built artificial barrier of distrust and suspiciousness between Armenians and Georgians.

The aim of all these is to warning of imperial circles of Moscow not to let Georgia leave the state of which it remains now and to make it to accept dictated conditions.

The statement of the society of "Geirat" representing interests of Azerbaijanis of the region of Marneulskiy of Georgia was spreaded yesterday. "Explosions at the railway and gas-main are in handiwork of politicians trying to create discord between Georgians and Azerbaijanis"—outlined in the document.

Conflicting Reports on Control of Sarsang Reservoir

LD2502162693 Moscow *ITAR-TASS World Service* in Russian 1441 GMT 25 Feb 93

[By AZERTAC correspondent Elchin Sardarov for TASS]

[Text] Baku, 25 Feb—Today, on the eve of a regular round of Armenian-Azerbaijani talks within the framework of the CSCE, Armenia's Armed Forces undertook a large-scale offensive in Agderinskiy Rayon, in the direction of the Sarsang reservoir. As reported to an AZERTAC correspondent at the Information and Analysis Center in Azerbaijan's Ministry of Defense, as a result of fierce fighting, the Azerbaijani Army has succeeded in retaining control over the strategically important reservoir. The number of casualties suffered in the course of defending the facility are being specified.

Yerevan, 25 Feb (ARMENPRESS for TASS)—Armenian detachments—continuing to maintain control over the entire area of the Sarsang reservoir—are conducting offensive actions in the direction of the villages of Magavuz, Metsshin, and Kusapat in Mardakertskiy Rayon, the Press Service of Armenia's Defense Ministry has reported. According to its data, it has been relatively peaceful since morning along the entire Armenian-Azerbaijani border.

Elchibey Dismisses Deputy Defense Minister

NC2502192793 Baku *Radio Baku Network* in Azeri 1700 GMT 25 Feb 93

[Text] According to President Ebulfaz Elchibey's instructions, Baba Babarifyy oghly Nazarli has been dismissed from his post as deputy minister of defense.

Parties Form Front Against Single-Party 'Hegemony'

NC2502141693 Yerevan *SNARK* in English 0620 GMT 25 Feb 93

[Text] Baku, February 25 (SNARK)—New Front, a union of the 9 political parties has been created in Azerbaijan. The following parties have joined at the new front: "New Azerbaijan," headed by Geydar Aliyev, former first secretary of Azerbaijani Communist Party,

"Independent Azerbaijan," headed by Nizami Suleymanov, former candidate for presidential post and an opposition leader now, and others. The members of these parties are, mainly, representatives of science, technical and art intelligentsia, so-called communist nomenclature. Sayad Sayadov, the chairman of Azerbaijani Party for Revolutionary Revival, declared that "Our aim is to fight against a hegemony of any political party."

Georgia

Country Seeking To Clarify Status of Russian Ties

PM2502154193 Moscow IZVESTIYA in Russian
25 Feb 93 p 2

[Report by Besik Urigashvili: "Parliamentary Opposition Demands Radical Actions"]

[Text] Georgian leader Eduard Shevardnadze stated at a session of parliament on 23 February that if Russia's aggressive actions toward Georgia continue the Georgian side will have no option but to declare a general mobilization and defend the motherland's independence by force of arms. Shevardnadze said that he has verbally instructed the heads of the administrations of many rayons in Georgia to be ready for such a turn of events.

Shevardnadze's reaction was in response to the 20 February bombing of residential districts in Sukhumi by a Russian airplane, which caused damage and casualties, as well as in response to Russian Defense Minister Pavel Grachev's statement in which he said that Russia is not withdrawing its troops from Abkhazia and Adzharia, the two autonomous formations on the Black Sea.

Shevardnadze stated that in the past two months Sukhumi has been subjected to 20 air raids and missile attacks, mainly affecting residential districts in the city. These attacks have left more than 20 dead and around 600 wounded. "I still continue to hope," Eduard Shevardnadze said, "that the aggressive actions against Georgia are not the Russian Government's policy, although our relations have reached the danger mark beyond which lies catastrophe. I hope to speak with President Yeltsin today and clarify this question for myself once and for all."

Eduard Shevardnadze claims that a breakdown in relations with Russia threatens enormous economic difficulties for Georgia. The latter, which does not even have its own banknotes today, is largely dependent on Russian sources of raw materials. Many essential foodstuffs also come from Russia. Unless we receive 60 billion rubles in banknotes in the very near future we will not be able to pay the population's wages and pensions for the first five to six months while we are printing our own coupons, Shevardnadze stated. There are many nuances of that kind.

Shevardnadze proposed that parliamentarians begin broad parliamentary discussions on the question of relations with Russia at which the fate of the talks between the two countries and their future mutual relations must be resolved once and for all.

"We can demand the immediate withdrawal of the Russian troops from Georgian territory and announce that Russia is waging an undeclared war against Georgia. But that means breaking off the negotiating process and curtailing all relations with Russia. We must finally make up our minds whether we are ready for such steps and assume the full responsibility for the possible grave consequences for the whole people," Shevardnadze stressed.

The Georgian parliament adopted a decree last December in which it demanded the immediate withdrawal of the Russian troops from Abkhazian territory, although the Russian side ignored this demand. During the recent Russian-Georgian talks the sides also reached agreement on the withdrawal of the Russia assault unit from the site of the Russian Defense Ministry's biological laboratory in the village of Eshera, which is right on the line of confrontation between Georgia and Abkhazia on the Gumista River and where the Russian assault troops are now stationed. However, in Shevardnadze's words, the Russian side has not kept its promise.

The debates on the question of relations with Russia will start as soon as 24-25 February, it seems, and will be very pointed. The polarization of forces, opinions, and views both within parliament and outside has reached its peak in recent days. And even though parliament recently gave the Georgian leader full power to negotiate with Russia, he himself has decided to initiate a broad and open discussion in parliament so as to finally come to a decision on this question. Shevardnadze continues to insist that the complications in relations with the former motherland are due primarily to instability and uncertainty in Russian policy and opposition between the conservatives and the democrats in the struggle for power. He does not tire of repeating that he has faith in Yeltsin and the forces behind him, but parliament is increasingly tending toward radical positions. "This is no longer convincing," Akakiy Asatiani, a leader of the parliamentary opposition and chairman of the Union of Georgian Traditionalists, stated, "Ultimately the responsibility for the actions of the Russian military in Abkhazia is borne by the present Russian leadership, which has not once repudiated the aggressive actions of the Russian troop grouping in Gudauta. Furthermore, the recent statement by Defense Minister Grachev has left no doubt about Russia's true aims in Georgia and in the Caucasus as a whole. They may be democrats or conservatives in domestic politics but in foreign policy they are all imperialists."

Meanwhile, the supporters of the liberal approach are urging that the situation not be inflamed to the limit because they understand that this could have unpredictable consequences for the country. "The opposition is

provoking Shevardnadze to take radical actions, hoping thereby to finish him off," Guram Muchaidze, leader of the Social Democratic Party, has stated. "I will not be surprised if it transpires that they are in a league with the Russian conservatives, who cannot stand Shevardnadze."

At the moment the supporters of the liberal approach are in the majority in parliament, but if there are new acts of provocation on the Abkhazian front the picture may change.

Legislature's 'Anxiety' Over Russian Role in Conflict

NC2502141393 Yerevan SNARK in English 0450 GMT 25 Feb 93

[Text] Tbilisi, 24 Feb (SNARK)—In connection with the Sukhumi bombardment taking place on February 20 the Georgian parliament has accepted the declaration to express its anxiety with the Russian participation in the Georgian-Abkhazian conflict.

The aim [as received] anxiety has been expressed in Shevardnadze's letter addressed to Butrus-Ghali, general secretary of the UN. Russia becomes one of the parties participating in the conflict. [sentence as received] The Georgian leadership was deeply excited by the words General Grachev, Russian minister of defense on the fact that Batumi, Gudauta and other regions are strategically important place for those Russian troops distributed in Georgia. If Russia leaves these territories Russia loses the Black Sea. The threaten of military actions escalation against Georgia is becoming the reality. If the world community doesn't enter the situation Georgia will become new Afghanistan. Such kind of action intensify the existing tension in Russian-Georgian relations. The Georgian parliament is of the opinion that the Russian authorities are responsible for the events taking place in the zone of the conflict.

Envoy Calls Grachev Trip 'Technical Military Inspection'

OW2602120793 Moscow INTERFAX in English 1129 GMT 26 Feb 93

[Following item transmitted via KYODO]

[Text] Russian Ambassador in Georgia, Vladimir Zemskiy, has said Russian Defense Minister Pavel Grachev will go to Gudauta and Batumi for a purely military inspection—he will see military units subordinate to him. In an interview to Georgian TV on Friday [26 February], Zemskiy has said he had a telephone call with Grachev who voiced regret due to "the wrong interpretation" of his recent public statement in terms of Russia's strategic interests in Georgia. The statement has caused a negative reaction in Georgia.

Quoting Grachev, the ambassador has made it clear that when the minister spoke about strategic interests, he

meant Russian border troops in Georgia which defend Georgia's and Russia's sovereign interests. Their presence is connected with strategic interests on the Black Sea coast of the Caucasus.

Zemskiy has said Minister Grachev had a telephone talk on Thursday with Georgian leader Eduard Shevardnadze. However, he cited no facts associated with its content.

Abkhaz Attack on Russians, Forces' Advance Reported

AU2602105093 Tbilisi Radio Tbilisi Network in Georgian 0900 GMT 26 Feb 93

[Text] This morning, we contacted Soso Margishvili, head of the press service of the Defense Staff of the Georgian Armed Forces located in Abkhazia.

[Begin Margishvili recording] As you know, there were fairly active positional battles along the Gumista River almost throughout yesterday; artillery and heavy equipment were used. The enemy tried to move forward men and equipment but our artillery fire prevented this.

At approximately 1500, several mortar shells fired by the Abkhazians exploded on the territory of the Russian airborne assault battalion, the so-called Grechkov dacha. In order to stop the firing, the Russian soldiers apparently raised the Russian flag probably to show the Abkhazians that they were not Georgians. However, this did not stop the Abkhazians; they continued firing in the direction of the Russians and, as a result, according to preliminary information, four Russian soldiers were wounded.

In addition, the following events took place yesterday:

There was an exchange of prisoners. Paata Giginishvili, a member of the Gagra Mkhedrioni [cavalry, legally sanctioned armed formation] held in captivity since 22 October, was brought from Gudauta together with two Georgian citizens, Ilo Manchkaladze and Shota Kalandadze, who were captured on 14 February when Abkhaz separatists detained the [word indistinct] seiner in neutral waters.

Yesterday also, there were significant events in Ochamchire Rayon. Fighters of the 24th Brigade of the Georgian Armed Forces under the command of Colonel Gia Vashakidze carried out an offensive operation in the direction of Kutol, Merkula, and Beslakhuba. The operation was a success and our military units made a significant advance. They inflicted considerable damage on the enemy and entered the aforementioned villages.

This is all the information I can report. As regards last night, it passed off fairly quietly and it remains quiet now.

[Unidentified reporter] Soso, what is the situation regarding the water supply in the city?

[Margishvili] Quite difficult. The water supply is fairly irregular because of the lack of electricity. [end recording]

Country Not To Blame for Armenian Gas Shortage

NC2502153793 Yerevan SNARK in English 1253 GMT 25 Feb 93

[Text] Tbilisi, February 25 (SNARK)—Georgia isn't guilty of the fact that Armenia is getting a short amount of gas, Karlo Nikolaishvili, the chairman of "Gruzgas" department said. According to him, during the last days Georgia itself isn't getting gas in due amount, the admission of which has been dimensioned from 24 million cubic meters to 16 million. Nikolaishvili also informed tomorrow morning he and the prime minister Tengiz Sigua will leave for Turkmenistan to settle this issue. The Armenian representative with the same goal is in Ashkhabad.

Shevardnadze To Visit China at Beginning of Jun

AU2602102693 Tbilisi Radio Tbilisi Network in Georgian 0450 GMT 26 Feb 93

[Text] On 25 February, Eduard Shevardnadze, chairman of the Georgian Parliament and head of state, received (?Su Qitsin), temporary charge d'affaires of the PRC in Georgia. Their conversation touched upon the prospects for future cooperation between the PRC and the Republic of Georgia. They discussed a whole range of important questions, including the date of Batoni [Georgian polite form of address] Eduard Shevardnadze's future visit to the PRC. The sides agreed that the visit would take place within the first 10 days of June of this year. During the visit a whole range of documents will be signed that will contribute to the (?establishment) of economic, cultural, and scientific relations between the two countries.

Latvia**Most Favored Nation Agreement Initialed With Lithuania***WS2602123693 Tallinn BNS in English 1711 GMT 25 Feb 93*

[Text] Riga, 25 February 1993, BNS—Experts from the Latvian Foreign Trade Ministry and the Lithuanian Trade and Industry Ministry initialed an agreement for most favored nation status on mutual trade during 1993, a senior Latvian Foreign Trade Ministry's official told BNS Wednesday [24 February].

Both countries plan to sign the agreement in mid-March.

Jana Zara of the ministry told BNS that the pact was delayed because of both countries had anticipated a similar trilateral agreement among the Baltic republics.

Danish Foreign Minister Announces Relief Aid*LD2602022293 Riga Radio Riga International in English 2130 GMT 25 Feb 93*

[Excerpt] The Danish Government has approved an aid package worth 150 million Danish kroner for the East European and Baltic relief fund, the Danish foreign minister for cooperation and development, Helle Degn, told a news conference on Thursday.

Danish Foreign Minister Degn said Denmark would consult Latvia on adopting new energy production methods and provide expertise on ways to curb unemployment as well as tackle social problems. The minister reported that a special relief fund for Latvia had been created in Denmark which had already collected 20 million Danish kroner.

At the news conference, Degn also said that Denmark, which now holds the presidency of the European Community, would undoubtedly back the idea of highlighting Baltic problems at the European Community meeting. [passage omitted]

Next Round of Talks With Russia Planned for 17 Mar*WS2302095093 Riga LETA in English 1444 GMT 22 Feb 93*

[Text] Riga, February 22 (LETA)—On Monday [22 February] Eriks Tilgass, the defence advisor of Latvian state minister, announced that the next round of Latvian-Russian talks is planned to take place in Moscow on March 17. The efforts of Latvian side will be aimed at signing of at least three agreements—on transportation of Russian army units on the territory of Latvia by railway, on use of radio communications and radio waves and on mail and telecommunication services.

Gorbunovs To Visit France, Sign Friendship Treaty*OW1202195593 Moscow BALTFAX in English 1736 GMT 12 Feb 93*

[Following item transmitted via KYODO]

[Text] Anatolijs Gorbunovs, chairman of the Latvian Parliament, will be on an official visit to France on March 1 to 3, he told the Parliament Presidium on Thursday [25 February]. A Latvian-French Friendship and Cooperation Treaty is to be signed during the visit. Gorbunovs will meet with President Francois Mitterand, senators, ministers, and other French officials.

Foreign Minister Georgs Andrejevs, Minister of Economic Reform Aivars Kreituss, and several MPs will be members of the delegation.

Lithuania**President Brazauskas Delivers Inaugural Address***LD2502145393 Vilnius Radio Vilnius Network in Lithuanian 1143 GMT 25 Feb 93*

[Inaugural address by Lithuanian President Algirdas Brazauskas at an extraordinary Seimas session in Vilnius—live]

[Excerpts] [passage omitted] The state of Lithuania came back to life twice in the 20th century. This was a very difficult trial for the nation, exhausted by foreign oppression and war. We passed it, however, and we have all the right to be proud of it. Now, at the end of this millennium, once again we are laying stones with great hopes for the foundations of our independent state.

Today, on the day of the inauguration of the president, I am in full awareness of the responsibility of this moment and its place in history. All my thoughts are about Lithuania; all my feelings are for her and her people. [passage omitted]

I firmly declare that all citizens of Lithuania, all fellow countrymen, regardless of their nationality, sex, language, origin, or social position, religion, or diversity in political points of view, are equally respected and needed by the motherland. [passage omitted]

I invite all parties and political organizations, the people of all nationalities and religions, all citizens of the Republic of Lithuania, to forget all the hurts and not reopen the wounds of the past. Of course, as president of Lithuania I will aspire, as is becoming in a state ruled by law and order, that the persons who took part in genocide and criminals and war criminals directly connected with them should be given a rightful and just punishment. [passage omitted]

I will regard it as my sacred duty to establish a society where universally recognized human rights are cherished and where every Lithuanian citizen feels safe. All the

state institutions must ensure the presumption of innocence of every Lithuanian citizen, the inviolability of person and property, and the freedom of trade. [passage omitted]

At all times the life of the Lithuanian people was given meaning and nobility by three sacred ideas: nation, motherland, and God. This is what rallies and inspires us to fight for the freedom of the country, to preserve the name of Lithuania in the world, and to help the rebirth of the state.

Today this should rally us for the restructuring of the economy and the overcoming of our deep economic crisis. [passage omitted]

The first intoxicating enthusiastic wave of rebirth has already receded; in front of us is daily work that demands common sense and quickness of wit, pragmatic concepts, and professionalism. These same qualities made the people of Lithuania famous a long time ago. Even the chains of the former administrative command way of managing the economy did not succeed in suppressing their diligence and personal enterprise. [passage omitted]

I invite all political parties and movements of Lithuania to reach an agreement on cooperating in the solution of the pressing problems of the country and to sign a declaration of concord. The president of the republic's council of political parties could also serve this purpose. [passage omitted]

I would like to stress the following point today once again: Lithuania is not an enemy to anyone; she has no territorial claims against any state and is firmly determined to develop mutually beneficial economic and cultural relations with all states.

The main criteria for Lithuanian foreign policy will be pragmatism and defense of the interests of the state. Relations with any state will be based on mutual respect, tolerance, and noninterference in the internal affairs of one another.

I see Lithuania's future in Europe. Our state will take an active part in the process of European cooperation; she will develop contacts with the United Nations, the CSCE, the North Atlantic Assembly, the Council of Europe, the European Parliament, and the West European Union. Lithuania will strive to render the work of the Baltic Assembly more active; to further develop relations with the Nordic Council. I believe close relations with the above states and organizations is the guarantee for the security and independence of our state. Without any doubt we will be orientated toward the model of Western democracy and culture, which have been tested by history.

However, I do not doubt that Lithuania, while looking for her place between the East and the West, needs a well-balanced policy.

One of the main conditions for stability in the region—and at the same time in Lithuania—is the complete withdrawal of Russian troops according to the signed timetable. We must gradually decrease dependence on Eastern raw materials and markets. Therefore, the credits and financial aid given by the European Bank for Reconstruction and Development, the IMF, and other organizations must be used rationally. [passage omitted]

I, the president of the Republic of Lithuania, elected by the will of the nation, invite the people of Lithuania to agree and toil for the benefit of the motherland, dear to all of us.

Ceslovas Jurseenas Elected Seimas Chairman

LD2602055193 Vilnius Radio Vilnius Network in Lithuanian 1900 GMT 25 Feb 93

[Excerpts] We already informed you that at today's extraordinary plenary session of the Seimas the main item on the agenda was the election of the Seimas chairman.

Seimas member Gediminas Kirkilas proposed the candidature of the acting Seimas Chairman Ceslovas Jurseenas. Then, after an interval requested by the Social Democratic Faction, the alternative candidature of Aloyzas Sakalas was proposed by member of the Seimas, Nikolajus Medvedevas.

After both contenders agreed to stand for the election, secret voting was announced. The results were summed up only half an hour ago. From 113 Seimas members present in the hall, 64 voted for Ceslovas Jurseenas; 49 members voted against. Eleven members voted for Aloyzas Sakalas, 102 voted against.

Then, having approved the results of secret voting, the members of the Seimas adopted a decision confirming Ceslovas Jurseenas in the post of the chairman of the Lithuanian Seimas.

The first to congratulate him was Aloyzas Sakalas, acting deputy chairman of the Seimas, stating that, according to his abilities, he would support the chairman of the Seimas.

A brief speech was made by Ceslovas Jurseenas:

[Begin Jurseenas recording] [passage omitted] As far as it depends on me, as far as my health allows, I will work for the benefit of you, that is, the Seimas, for the benefit of Lithuania. Believe me, I appeal here not only to the leftists and the center, but especially appeal to the rightists; Lithuania is really dear to me, and it is our misfortune that we understand Lithuanian differently, understand differently the service to Lithuania and the selection of the methods of this service. But I think that we will together and consistently work for the benefit of the Lithuanian state, for the wellbeing of the people of Lithuania. [passage omitted] [end recording]

Comments on Inauguration

OW2502165393 Moscow INTERFAX in English
1540 GMT 25 Feb 93

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] The inauguration ceremony of the first post-war President of the Lithuanian Republic, Algirdas Brazauskas, took place at noon local time on Thursday [25 February] in Vilnius.

Ceslovas Juršenas, acting chairman of the Seimas, declared in his conversation with our Baltfax [as received] correspondent that the day of the President's inauguration "marks a new stage of development of Lithuania's statehood as a whole and of the activity of the Seimas." In Juršenas' opinion, the role of the parliament and its influence on the political life of the country will change with the appearance of the institution of the presidency in the republic.

Juršenas expressed the hope that the parliament would constructively cooperate with the President. Mentioning Brazauskas' experience of cooperation, when he was fulfilling the duties of the head of state, Juršenas pointed out that being granted the right to veto, Brazauskas has not used it a single time whenever the Seimas adopted a decree.

Juršenas said that on Friday, Lithuania's President should propose the candidacy of a new premier to the parliament. (The same day the present cabinet of Bronislavas Lubys goes out of power - Interfax). In case the Seimas agrees to the proposed candidacy, the President will appoint the head of the government which is to form a new cabinet within 15 days. The composition of a new cabinet is to be approved at the parliament's session scheduled for March 10.

The acting chairman of Seimas enumerated other important issues to be considered by the spring session, namely, the formation of the constitutional court, a package of socio-economic issues and the introduction of amendments to the decrees related to agriculture and privatization. In Juršenas' words, the government is to form a Defense Council of the state, the draft of its creation has been developed already. Besides, several changes should be introduced in the decree on introducing a national currency.

Juršenas refused to say who will head the Lithuanian parliament and how many candidacies will be presented for elections for the post of Seimas chairman. At the same time he pointed out that Lithuania's Democratic Labor Party will propose one candidate, but other factions and coalitions can present their candidacies as well.

Government Steps Down, Slezevicius Proposed for Premier

OW2602124493 Moscow BALTFAX in English
1133 GMT 26 Feb 93

[Following item transmitted via KYODO]

[Text] The Lithuanian government headed by Prime Minister Bronislavas Lubys has stepped down on Friday [26 February] at the plenary session of the republican Seimas (parliament).

Having accepted [the] resignation, Lithuanian President Algirdas Brazauskas asked him to continue with his duties until new Cabinet is formed.

President has proposed [a] candidate for parliament's approval—Alfonsas Slezevicius, 45, PhD in economics, member of the Democratic Labor Party Council, which has majority in [the] Seimas. President Brazauskas has proposed that the Seimas approve or decline the candidature at parliament's first plenary session on March 10.

According to president, he suggested that Mr. Lubys continue heading the government, but the latter refused for personal reasons.

Sabutis Questions Brazauskas' Break in Ties With DLP

WS2502131593 Vilnius ELTA NEWS BULLETIN in English 1412 GMT 24 Feb 93

[From ELTA "NEWS BULLETIN" No. 192]

[Text] 24 February 1993—Yesterday at the sitting of the Seimas Pranciskus Tupikas made public the Signatory of the March 11, 1990, Independence Act, Liudvikas Sabutis' address to Acting President Algirdas Brazauskas, in which Mr. Sabutis contends that although [the] Acting President has declared suspension of his DLP [Democratic Labor Party] membership, he has not in fact put an end to his conjunction with it. Liudvikas Sabutis challenges [the] Acting President to make a public pledge before his Inauguration as President of the Republic on February 25 that he is leaving the DLP for good. He also cites a number of facts which, in his opinion, may be estimated as symptoms of group dictatorship paving the ground for senseless and ineffectual contention in the Seimas. In the conclusion of his address Liudvikas Sabutis says: "I associate the future of Lithuania with freedom and democracy, with your personality, multifaceted, active and resolute government, and with totally independent [as received] from the influence of surreptitious politicians activity of the Constitutional Court."

Landsbergis: Budget Threatens Hopes To Stabilize Economy

WS2602100593 Vilnius ELTA NEWS BULLETIN in English 1533 GMT 25 Feb 93

[From ELTA "NEWS BULLETIN" No. 193]

[Text] 25 February 1993—Yesterday, speaking at the press conference of the Seimas opposition, Vytautas Landsbergis pointed out that the newly-endorsed budget threatens our hopes to stabilize the economy to introduce the national currency and the like. The adoption of this budget may be fraught not only with interior but with international consequences as well.

Vytautas Landsbergis maintained that this budget may have been conceived with a view to discrediting the Lithuanian economy in the eyes of the Western countries and international financial organizations. This would inevitably lead to direct economical consequences and indirect political because by worsening our relations with the West we would soon realize being pushed to the East. This would ostensibly confirm the DLP [Democratic Labor Party] thesis, so much enjoyed by the Russian imperialistic forces, that the only salvation for Lithuania lies in the East and that there is no use expecting any salvation from the West. Besides, Vytautas Landsbergis said, Lithuania can be discredited and to a certain extent is already being discredited by certain planned appointments and rewards.

Speaking on the interior policy of Lithuania, Vytautas Landsbergis noted that the KGB activity has lately gained a second wind, its former collaborators who had dared to sever their ties with that organization are now being blackmailed again. The newly enhanced activity of the KGB structures poses the question, if it is going to be opposed on the State level. This undoubtedly is connected with the problem of the security of the KGB archives. These archives may be taken advantage of to further blackmail people through an attempt to take them over or to move them to other premises on the pretext of the necessity for the restoration of these premises or on some other pretext, Vytautas Landsbergis concluded.

Government Finds Way To Pay Off Debt to Gas Suppliers

OW2502185093 Moscow BALTFAX in English
1630 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] The government of Lithuania on Wednesday [24 February] passed a resolution obliging Klaipeda, the state enterprise for exporting oil, to grant interest-free credits totalling \$10 million to the state enterprise

Lietuvos Dujos to allow it to pay its debt to St. Petersburg's Lentransgaz for natural gas deliveries.

The measure was taken by the government as a result of a Tuesday visit to Lithuania by Petr Radionov, Lentransgaz's general director. Radionov had said that he would stop gas deliveries to Lithuania if the debt was not paid by 1 April.

The indebtedness of Lietuvos Dujos had reached about 20 billion rubles. The \$10 million credit will be sufficient to pay off only a third of the debt. The enterprise hopes to pay off part of what remains by calling in debts owed it by its customers; the rest will be paid out of the national budget.

Minister Encourages Helping Russian Oil, Gas Industry

OW2502185293 Moscow BALTFAX in English
1629 GMT 25 Feb 93

[Following item transmitted via KYODO]

[Text] Robertas Tamosiunas, Lithuania's Deputy Minister for Energy, has said that Lithuania must contribute to the salvation of the oil and gas producing industry in Russia at least until Lithuania builds its own oil terminal. In the capacity of observer Tamosiunas attended a conference of vice-prime ministers and energy ministers from CIS nations and other former Soviet republics in Moscow on Wednesday [24 February].

He told Baltfax that Russia had was experiencing a sharp decline in oil and gas production and suggested that those states represented at the conference and western states invest heavily in the sector and thus guarantee energy supplies for themselves. A proposal was made at the Moscow meeting for the formation of a council of representatives from all parties interested in coordinating the process of investment and distribution of resources. Those parties wishing to join such a council should declare their intention at a meeting of interested states in Surgut on March 1.

Tamosiunas said that the decision over Lithuania's participation on the council must be taken by either the republic's government or parliament. He said that Lithuania did not possess enough financial resources to make large investments but could contribute equipment and food supplies and products for light industry as its share together with carrying out construction work.